



UBS EMERGING COMPANIES CONSUMER CONFERENCE

31 MAY 2017

IMPORTANT NOTICE

This disclaimer applies to this presentation and the information contained in it (the “Presentation”).

By reading this disclaimer you agree to be bound by it.

Important notice and disclaimer: This presentation contains a general summary of the activities of Kogan.com Ltd (Kogan.com), does not purport to be complete and is to be read in conjunction with all other announcements filed with the Australian Securities Exchange (ASX), including Kogan.com’s half year results filed with the ASX on 23 February 2017. Information in this presentation is current as at the date of this presentation (31 May 2017) and remains subject to change without notice. Financial information in this presentation is unaudited. Kogan.com does not warrant the accuracy, adequacy or reliability of the information in this presentation and, to the maximum extent permitted by law, disclaims all liability and responsibility flowing from the use of or reliance on such information by any person.

Not an offer or financial product advice: This presentation is not investment or financial product advice or any recommendation (nor tax, accounting or legal advice) and is not intended to be used as the basis for making an investment decision. In providing this document, Kogan.com has not considered the objectives, financial position or needs of any particular recipients. Each recipient should consult with its professional adviser(s), conduct its own investigation and perform its own analysis in order to satisfy themselves of the accuracy and completeness of the information, statements and opinions contained in this document. This presentation does not constitute an offer to issue or sell securities or other financial products in any jurisdiction. The distribution of this presentation outside Australia may be restricted by law.

Forward looking statements: This presentation contains forward looking statements and comments about future events, which reflect Kogan.com’s intent, belief or expectation as at the date of this presentation. Such forward looking statements may include forecast financial and operating information about Kogan.com, its projects and strategies and statements about the industries and locations in which Kogan.com operates. Forward looking statements can be identified by forward-looking terminology including, without limitation, “expect”, “anticipate”, “likely”, “intend”, “should”, “could”, “may”, “predict”, “plan”, “propose”, “will”, “believe”, “forecast”, “estimate”, “target” and other similar expressions within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward looking statements. Forward looking statements involve inherent known and unknown risks, uncertainties and contingencies, both general and specific, many of which are beyond Kogan.com’s control, and there is a risk that such predictions, forecasts, projections and other forward looking statements will not be achieved. Actual results may be materially different from those expressed or implied. Forward looking statements are provided as a general guide only and should not be relied on as an indication, representation or guarantee of future performance. Undue reliance should not be placed on any forward looking statement. Kogan.com does not undertake to update or review any forward looking statements.

Past performance: Past performance should not be relied upon as (and is not) an indication or guarantee of Kogan.com’s future performance or condition.

Financial data: All financial amounts contained in this Presentation are expressed in Australian currency, unless otherwise stated. Any discrepancies between totals and sums of components in tables and figures contained in this Presentation are due to rounding.

Non-IFRS measures: Throughout this presentation, Kogan.com has included certain non-IFRS financial information, including EBITDA, Pro Forma EBITDA, Pro Forma Trading EBITDA and Gross Sales. Kogan.com believes that these non-IFRS financial and operating measures provide useful information to recipients for measuring the underlying operating performance of Kogan.com’s business. Non-IFRS measures have not been subject to audit.

WHO WE ARE

MOST VISITED AUSTRALIAN SHOPPING WEBSITES¹

- 1 
- 2 
- 3 
- 4 
- 5 
- 6 
- 7 
- 8 
- 9 
- 10 

CHANNELS

kogan.com

dick smith

VERTICALS

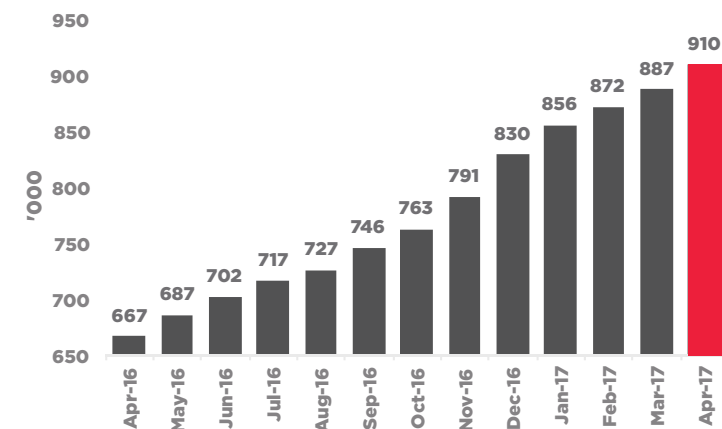
kogan travel kogan mobile

COMMUNITY

910,000
active customers²

▲ 36.4% YoY

Active customers³



Notes:

1. Roy Morgan Single Source Australia July 2015 - June 2016.

2. Active customers: unique customers as at 30 April 2017, rounded to the nearest thousand.

3. Active customers: unique customers who have purchased in the last twelve months, rounded to the nearest thousand.

BUSINESS PERFORMANCE

Kogan.com exceeded the full year FY17 Prospectus forecast Pro Forma EBITDA of \$6.9 million within the first half.

	Actual 1H16	Prospectus forecast 1H17 ²	Actual 1H17	YoY Variance %
Revenue \$m	104.7	123.3	143.9	37.4%
Gross Margin %	15.1%	15.2%	18.0%	2.9pp/19.2%
Pro Forma Trading EBITDA ¹ \$m	2.6	3.8	7.3	180.8%



KEY DRIVERS OF IMPROVED TRAJECTORY

GROWING BRAND

Continued solid growth in active customers.

PRIVATE LABEL

Successful deployment of IPO proceeds into Private Label inventory.

MARGIN IMPROVEMENT

Continual improvements in our business analytics, ERP and automation initiatives have driven margin improvement and stock turn.

KOGAN MOBILE

Delivering faster than expected growth.

PROPRIETARY ECOMMERCE PLATFORM

Multi-channel proprietary world class platform allows personalisation in marketing and scalability of the consumer offering.

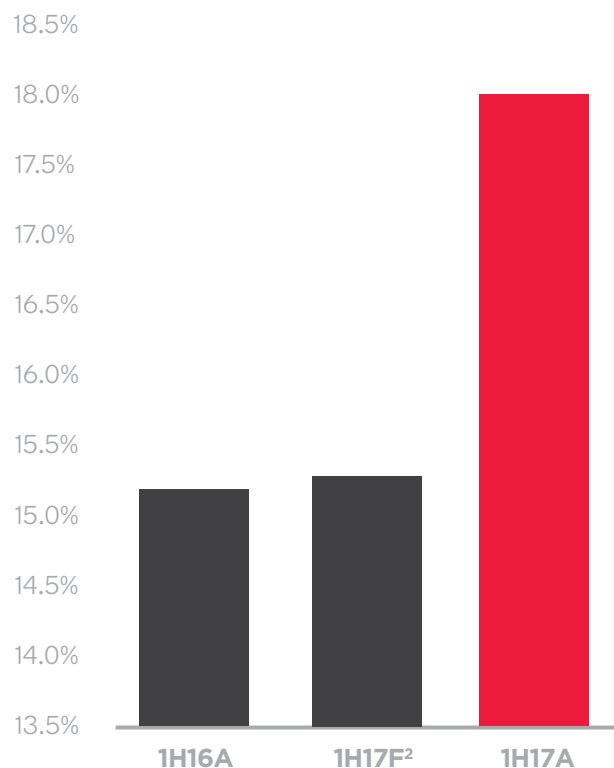
Notes:

1. Pro Forma Trading EBITDA represents Pro Forma EBITDA less impact of unrealised foreign exchange gain of \$0.7 million in 1H17 on foreign exchange forward contracts outstanding as at 31 December 2016.

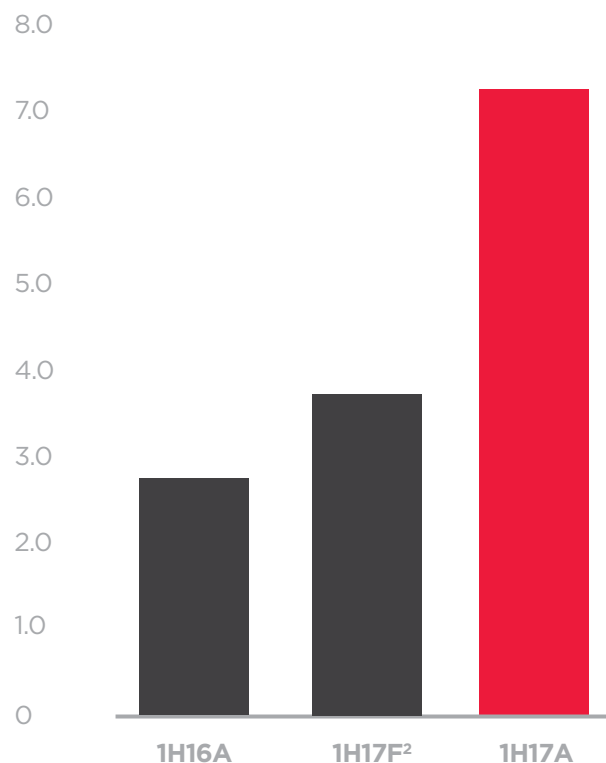
2. Prospectus forecast half year figures are sourced from monthly forecasts which formed the basis of the full year FY17 Prospectus forecast.

FINANCIAL HIGHLIGHTS

GROSS MARGIN



Pro Forma Trading EBITDA¹



VALUE DRIVERS

Strong Private Label business



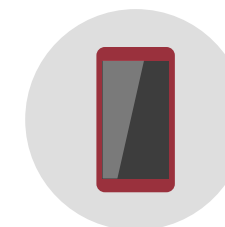
World class supply chain



Established brand



Kogan Mobile



Notes:
 1. Pro Forma Trading EBITDA represents Pro Forma EBITDA less the impact of unrealised foreign exchange gain of \$0.7 million in 1H17 on foreign exchange forward contracts outstanding as at 31 December 2016.
 2. 1H17F reflects the Prospectus Forecast (provided on a full year basis only). Prospectus forecast half year figures are sourced from monthly forecasts which formed the basis of the full year FY17 Prospectus forecast.

HOW WE DELIVER VALUE



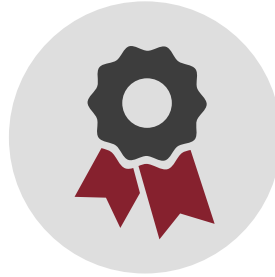
DATA DRIVEN CULTURE

Leveraging data, analytics and customer insights to effectively deploy IPO proceeds, driving revenue and margin growth.

ROI metrics on marketing spend and activities driving active customer growth.

Continually improving our digital efficiency through:

- ERP optimisations;
- streamlining of supply chain, including performance metrics for all third party providers; and
- automation initiatives.



BEST-IN-CLASS SERVICE & TECHNOLOGY

We believe 'There is always a better way' and as such continue to increase automation to drive faster dispatch times and improved customer experience.

Engaging with customers through delivering further personalisation and precision marketing.

Scalable web infrastructure enabling growth in traffic, channels and products from relatively fixed costs.



COMPELLING OFFERING

Strong Private Label offering, bringing market leading prices to customers on in-demand products.

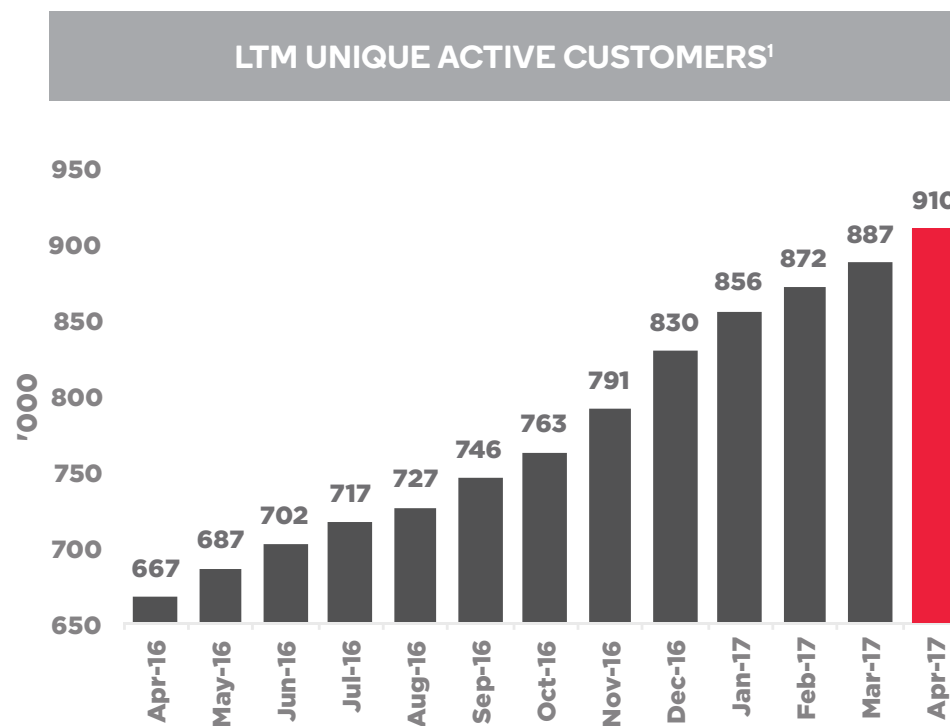
Continually on-boarding new Third Party brands.

Strong commercial relationship with Vodafone, translating into a compelling offering in Kogan Mobile and strong customer growth.

GROWING OUR BRAND

The business achieved 36.4% YoY growth in active customers.

	Apr-16	Apr-17	YoY growth %
Active Customers ¹	667,000	910,000	36.4%



Notes:

1. Active customers: unique customers who have purchased in the last twelve months rounded to the nearest thousand.

INDUSTRY LEADING PROPRIETARY IT PLATFORM

Scalable web infrastructure that drives increased engagement and conversion optimisation



**#1 Most Mobile Ready
Australian Brand¹**
-Ansible

PROPRIETARY PERSONALISATION ENGINE

▶ Leveraging data, analytics and long-term investments in systems to continually better understand our customers and what interests them. Our personalisation engine delivered ~5% of total website sales in 1H17.

AUTO-SCALING

▶ Our Web Infrastructure has been built to auto-scale based on traffic and user demand. This enables us to scale our offering and cost effectively meet demand.

FULLY RESPONSIVE PLATFORM

▶ Optimises conversion rates across mobile, desktop and tablet.

MARKETING CLOUD

▶ Proprietary systems to aggregate and analyse user and product data to enable precision digital marketing.

MULTI-CHANNEL

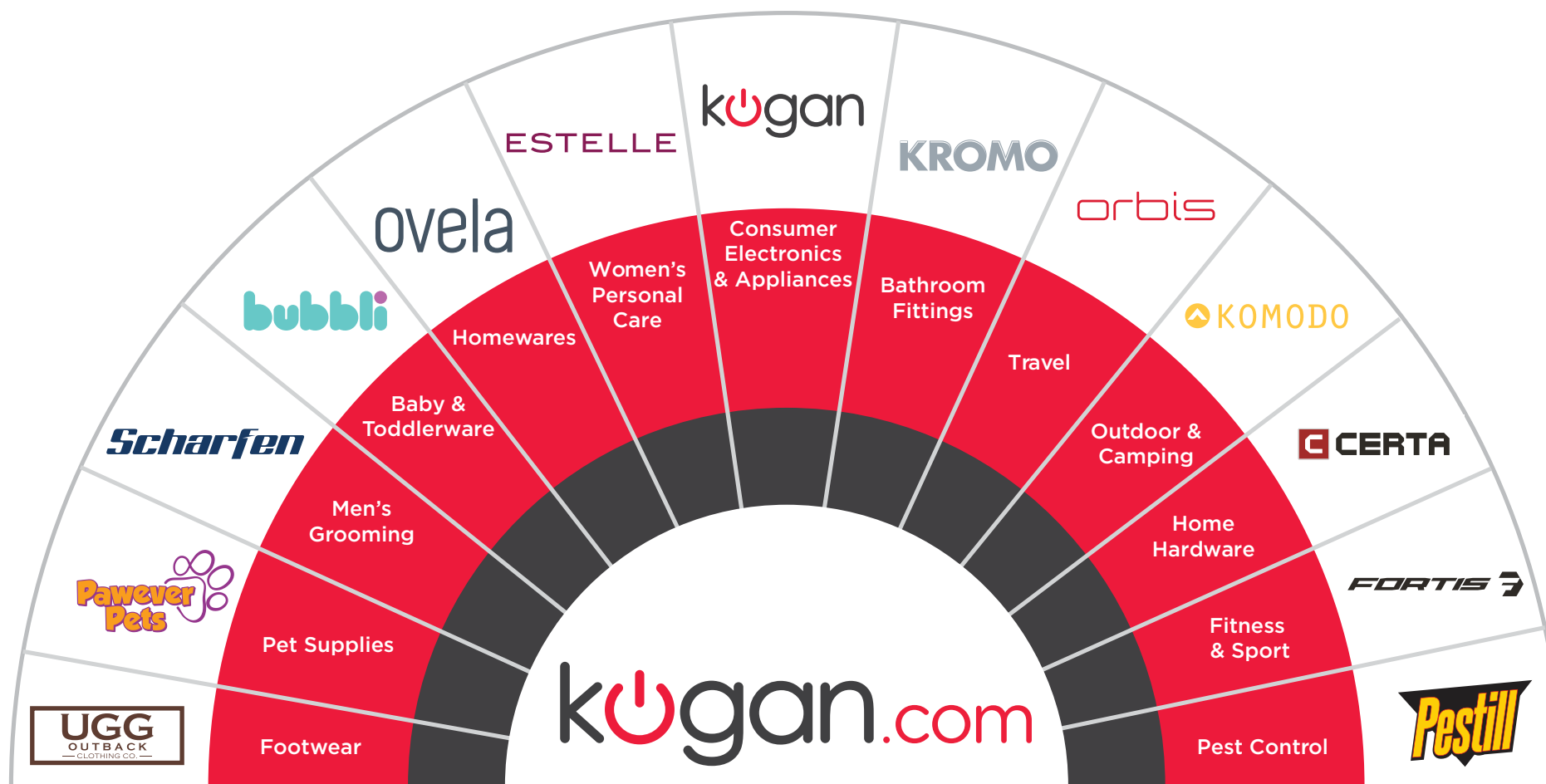
▶ Native support for sales via multiple channels allowing scaling to reach more customer segments.

Notes:

1. Source: Ansible, 27 February 2017

PRIVATE LABEL STRATEGY

Private Label is a pillar of the business and remains a focus area for the business to generate further growth and build the customer base. Investment of IPO proceeds in our exclusive Private Label brands is expected to be a key driver in 2H17 performance.



RECENT AWARDS

Kogan Private Label products have received awards and recognition in 2H17.

Kogan TVs won the
Canstar Value for Money Award



"Aussie brand Kogan was the only television brand to achieve a five-star review for value for money"

Kogan Atlas UltraSlim Pro laptop recognised
by the Good Gear Guide as Best Buy

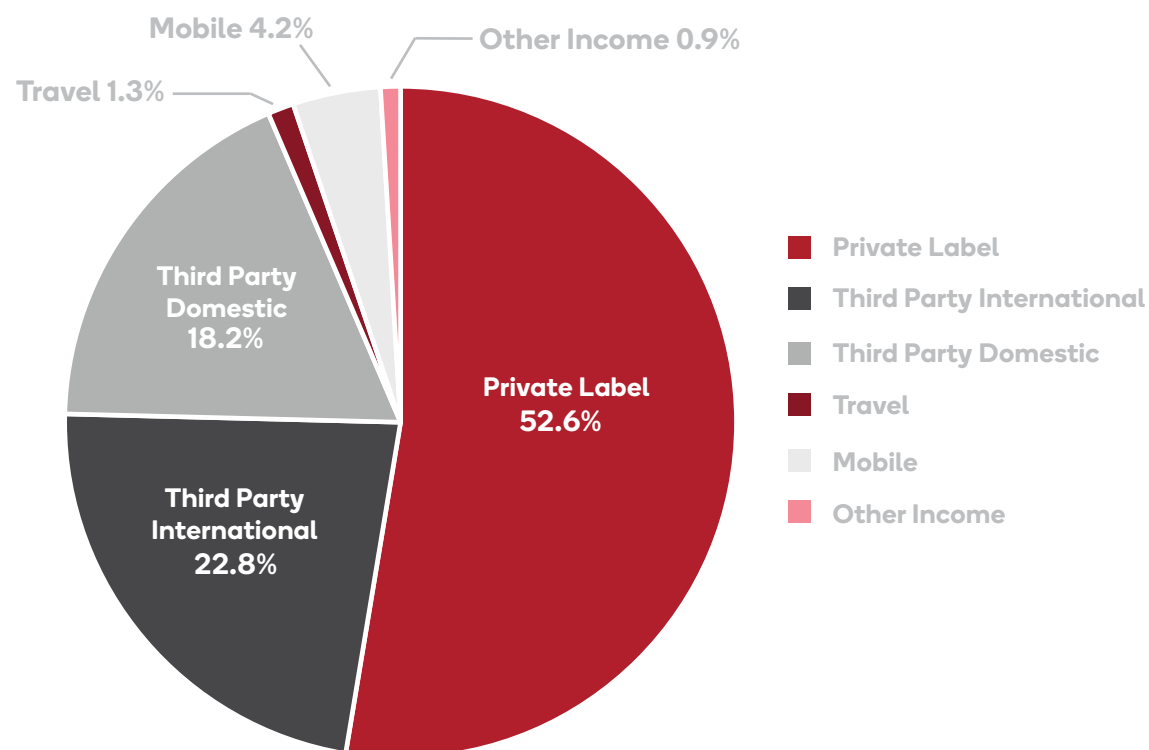


 **GOODGEARGUIDE**
FROM IDG

1H17 GROSS PROFIT PRODUCT & BUSINESS MIX

Following investment of IPO proceeds in 1H17, Private Label is poised for strong growth in 2H17.

GROSS PROFIT MIX IN 1H17



OVERVIEW

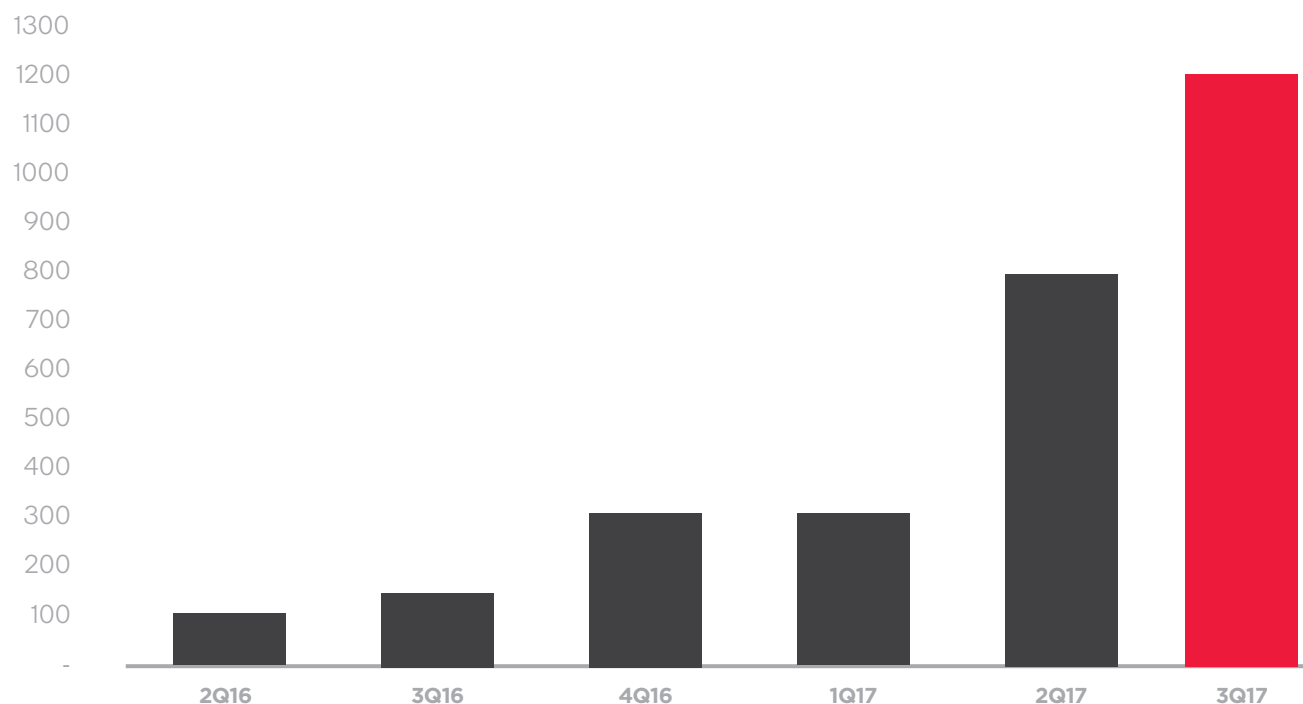
Private Label began to reap the benefits of the deployment of IPO proceeds into expansion of offering and inventory in November 2016 as new inventory started to land in Australia. As such, management believes the benefit of the investment in Private Label will continue to be realised in 2H17 and beyond. In 1H17, Private Label was the largest contributor to gross profit, representing 52.6% of total gross profit in the half.

KOGAN MOBILE

Kogan Mobile exceeded Prospectus Forecast Gross Sales by 83.3% in 1H17 and continued its trajectory in 3Q17

\$m	Prospectus forecast 1H17	Actual 1H17	% Variance
Gross sales ¹			
Kogan Mobile	0.6	1.1	83.3%

KOGAN MOBILE QUARTERLY COMMISSION (\$000s)



Notes:
1. Gross Sales is a non-IFRS measure - refer to the definition in the Glossary at the end of this Presentation. In respect of commission based sales generated under Kogan Mobile, Gross Sales represents only the commission received by the Company, and not the total amount paid by consumers



Strong commercial relationship with Vodafone translating into growth for Kogan Mobile. The unique model means that Vodafone is responsible for operations, while Kogan is responsible for branding, marketing and customer acquisition. Kogan Mobile commission is 100% gross margin. The success of Kogan Mobile demonstrates the strength of the Kogan brand in powering new verticals.

DELIVERING GROWTH IN FY17 & BEYOND

Kogan.com's growth initiatives are designed to support and consolidate our position as Australia's largest pure play online retailer by leveraging our core business strengths.

EXISTING GROWTH INITIATIVES



Continued growth in
Kogan Mobile & Kogan Travel

The Dick Smith logo is displayed in a bold, black, sans-serif font.

Growth in contribution from
Dick Smith

USE OF NEW CAPITAL

Third Party
Domestic
Growth

Investment
in Private
Label

Building the
Kogan
Community

Delivering growth in FY17 & beyond

MEDIUM-TERM OPPORTUNITIES



Launch additional business verticals



Selective & opportunistic M&A

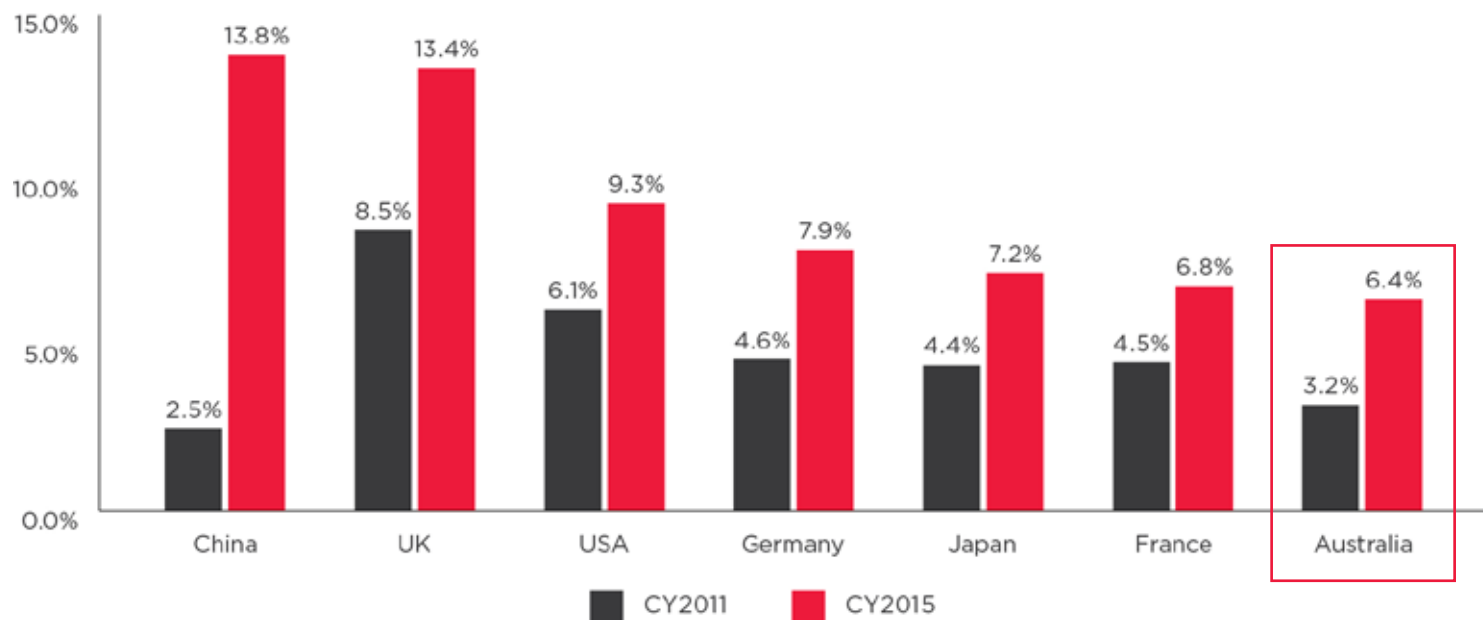
Underlying Market Growth
11.5% CY2015 - CY2019 CAGR¹

Notes:

1. Euromonitor, Euromonitor Passport Retailing 2016. Forecast size and growth of the Australian Online Retail Market.

MARKET OPPORTUNITY

AUSTRALIAN ONLINE RETAIL PENETRATION STILL COMPARATIVELY LOW



11.5%
CAGR

Euromonitor forecast for
Australian online retail
growth to 2019

37.2%
CAGR

Euromonitor forecast for
Australian mobile online
retail growth to 2019

Note:

Euromonitor Passport Retailing 2016. Online penetration, calculated as internet retail sales value divided by retail sales value for China, the United Kingdom, the United States, Germany, Japan, France and Australia, excludes sales tax. Shown in Current Terms. Calculated in local currency.

2H17 OUTLOOK

Positive outlook for 2H17 due to growth in gross margins, strong growth in revenue and Kogan Mobile.



The company has delivered more than \$10 million of Pro Forma Trading EBITDA in the nine months to 31 March 2017, and the Board now expects full year FY17 Pro Forma Trading EBITDA to be more than \$11.5 million, an increase from previous guidance of between \$10.5 - \$11.5 million as outlined in the Company's half yearly results.

WE EXPECT 2H17 TO SHOW:

- ☒ Further growth of active customer base
- ☒ Increased value from investment in proprietary systems, ERP and automation
- ☒ Private Label Growth
- ☒ Further growth in Kogan Mobile



Q&A

GLOSSARY

Third Party Branded Domestic: brands owned by third parties, for which products are sourced domestically

Third Party Branded International: brands owned by third parties, for which products are sourced internationally

Private Label: products sold under brands owned by Kogan.com

New Verticals: Kogan Travel and Kogan Mobile

Kogan Travel: business segment offering online holiday packages and hotel and cruise bookings

Kogan Mobile: business segment offering pre-paid mobile phone plans available online using Vodafone's network

2Hxx: the six months ended 30 June 20xx

FYxx: Financial year ended 30 June 20xx

1H17F: Prospectus forecast half year figures are sourced from monthly forecasts which formed the basis of the full year FY17 Prospectus forecast.

1HxxA: the six months ended 31 December 20xx

Historical and Forecast Financial Information: Statutory and Pro Forma Financial Information for 1H16, 1H17 and FY17.

Gross Sales: represents sales of products and services, including delivery income and before deducting Cancellations and Refunds

Gross Profit: revenue less cost of goods sold

Gross Margin: Gross Profit divided by revenue

Pro Forma Trading EBITDA/results: represents the trading results of the business after Pro Forma adjustments, consistent with Prospectus Pro Forma, and removing the impact of non trading items, such as unrealised FX gains.

EBITDA: earnings before interest, tax, depreciation and amortisation

EBITDA Margin: EBITDA divided by revenue

EBIT: earnings before interest and tax

Working Capital: total of trade and other receivables, inventories and prepayments which are included within other assets, less trade and other payables, deferred income, employee benefits and current provisions

1H17 or Half year: Pursuant to ASIC relief granted on 26 September 2016, the interim reporting period represents the period from 19 May 2016 to 31 December 2016. As Kogan.com Ltd acquired the Kogan group of companies just prior to the date of listing on the Australian Stock Exchange on 7 July 2016, and was previously non-operational, the reporting period represents the trading results of the Kogan group of companies for the six months ended 31 December 2016.