

ASX ANNOUNCEMENT

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Kogan.com to launch NBN services

Partnership with Vodafone extended until 2022, and deepened into fixed-line NBN services

Kogan.com Limited (Kogan.com; ASX:KGN) has signed agreements with Vodafone Hutchison Australia Pty Ltd (Vodafone) that will see Kogan.com offering fixed-line NBN services in 2018 as well as mobile broadband plans in 2017. The agreements will also enhance the economics of the Kogan Mobile partnership for Kogan.com. These agreements broaden and deepen the successful partnership between Kogan.com and Vodafone, who have been collaborating on Kogan Mobile since 2015.

Kogan Mobile is a fast growing business unit for Kogan.com, leveraging the strength of the Kogan brand and its active and highly engaged audience. In the six months ended 31 December 2017 (1H17), Kogan Mobile contributed 4.2% of Kogan.com's gross profit. In 3Q17, Kogan Mobile's gross profit increased 50% on the previous quarter, continuing its strong trajectory.

These agreements will extend the Kogan.com and Vodafone partnership across both mobile and fixed-line services for an additional four years to 2022, with rolling two-year extensions thereafter. Both parties will have significant incentives to continue the partnership at the end of the initial term, and at each extension.

Under the agreements, Kogan.com will continue providing branding and marketing services for competitively-priced mobile plans, and commence offering competitively priced mobile broadband plans and NBN plans on the Vodafone fixed-line NBN network. Vodafone will provide network and customer service support and will also provide marketing incentives for the launch of the Kogan fixed-line services.

Plan details of the fixed-line NBN services that will be offered in 2018 will be released closer to the launch date.

David Shafer, Executive Director of Kogan.com, said the proof of Kogan Mobile's success is in the uptake.

"We are proud of the partnership between Kogan.com and Vodafone which represents the coming together of two challenger brands to deliver value and choice for consumers," said Mr Shafer.

"Kogan Mobile has delivered on its promise to save Aussies money, with tens of thousands of customers already making the switch. With low prices, and an easy-to-use online platform, switching to Kogan Mobile is simple. Vodafone continues to invest heavily in its network – meaning it is faster and broader than ever, and improving every day.

"We're thrilled to now extend our partnership with Vodafone to enable Kogan.com to offer great new services in mobile broadband and fixed-line NBN at the incredibly low prices that Aussies have come to expect from Kogan.com. Vodafone has been investing heavily to establish its own NBN infrastructure, and is set to roll-out its capability over the coming year.

"The launch of NBN services is a major opportunity for Kogan.com. With a brand that has built a reputation for price leadership through digital efficiency, a huge online audience and a data driven and analytical culture, Kogan.com is well poised to offer and grow a market leading NBN service. Most importantly, we will be offering extremely competitive plans that save Aussies more of their hard-earned money."

Vodafone Consumer Business Director Ben McIntosh said the company was pleased to be extending its successful partnership with Kogan.com to deliver even greater competition in the Australian market.

"Since 2015, the Vodafone network has been powering Kogan Mobile to offer more choice to Australian mobile customers. It's been a win-win-win for consumers, Vodafone and for Kogan," Mr McIntosh said.

"Given the success of our partnership to date, it makes sense that we extend our agreement, and also to add mobile broadband and fixed broadband services to the mix."

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