

## ASX ANNOUNCEMENT

25 July 2017

### Kogan.com quarterly Cash Flow Statement and Trading Update

Kogan.com Limited (Kogan.com; ASX:KGN) today released its Appendix 4C Cash Flow Statement for the quarter ending 30 June 2017 (4Q17).

The Company ended 4Q17 with cash of \$32.0 million.

Assessing management accounts performance in 4Q17, Kogan.com is pleased to advise:

- Strong trading momentum has continued in 4Q17 with the business exceeding revised management budgets and producing net operating cash flows of \$9.9 million.
- The Company remains in a strong financial position as at 30 June 2017.
  - Cash of \$32.0 million, and access to a \$10.0 million bank facility that remains undrawn.
  - Inventory of \$38 million, comprising \$30.6 million of inventory on hand and \$7.5 million of inventory in transit.
  - Trade & Other payables and Deferred Income also had a positive impact on the operating cash flow, with increases of \$2.8 million and \$2.1 million respectively from 31 March 2017 to 30 June 2017.

Kogan.com Founder & CEO Ruslan Kogan said the Company is pleased with the strong performance in 4Q17 and the trajectory of the business.

*"We are pleased to deliver cashflows that demonstrate better than forecast operating results for Kogan.com's fourth quarter of trading as a listed company," Mr Kogan said.*

*"We have closed out our first financial year as a listed company with strong trading momentum, and some very exciting growth opportunities. We look forward to continuing this trend into FY18 and beyond."*

ENDS

**For further information please contact:**  
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#### About Kogan.com

Kogan.com is a leading Australian consumer brand. It is a portfolio of retail and services businesses that includes Kogan Retail, Kogan Marketplace, Kogan Mobile, Kogan Broadband and Kogan Travel. The Kogan brand is renowned for price leadership through digital efficiency. The company is focused on making in-demand products and services more affordable and accessible.

## Appendix 4C

### Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

**Name of entity**

Kogan.com Ltd (**Kogan**)

**ABN**

ACN 612 447 293

**Quarter ended ("current quarter")**

30 June 2017

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	80,692	295,939
1.2 Payments for		
(a) research and development	-	-
(b) inventory purchases and operating costs	(64,200)	(257,427)
(c) advertising and marketing	(2,883)	(12,311)
(d) leased assets	(205)	(822)
(e) staff costs	(3,573)	(11,701)
(f) administration and corporate costs	(395)	(3,330)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	132	470
1.5 Interest and other costs of finance paid	(23)	(179)
1.6 Income taxes paid	335	(12)
1.7 Government grants and tax incentives	25	25
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>9,905</b>	<b>10,652</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	(20)	(83)
(b) businesses (see item 10)	-	-
(c) investments	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
	(d) intellectual property	(800)	(2,819)
	(e) other non-current assets	(228)	(884)
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	<b>Net cash from / (used in) investing activities</b>	<b>(1,048)</b>	<b>(3,786)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	-	35,000
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	(3,106)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	(4,900)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	(3,640)
3.9	Other (provide details if material)	-	-
3.10	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>23,354</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of quarter/year to date	23,171	1,808
4.2	Net cash from / (used in) operating activities (item 1.9 above)	9,905	10,652
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,048)	(3,786)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	23,354

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	
4.6	<b>Cash and cash equivalents at end of quarter</b>	<b>32,028</b>	<b>32,028</b>

As at the end of the prior quarter, 31 March 2017, the total inventories balance was \$40,177,000, comprising \$9,423,000 of inventory in transit and \$30,755,000 of inventory on hand. As at 30 June 2017, the total inventories balance was \$38,033,000 and was comprised of \$7,467,000 of inventory in transit and \$30,566,000 of inventory on hand. Trade & Other payables and Deferred Income also had a positive impact on the cash flow, with increases of \$2.8 million and \$2.1 million, respectively from 31 March 2017 to 30 June 2017.

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	19,073	10,321
5.2	Call deposits	2,672	2,657
5.3	Bank overdrafts	-	-
5.4	Other (Term Deposit)	10,283	10,193
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>32,028</b>	<b>23,171</b>

**6. Payments to directors of the entity and their associates**

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter  
\$A'000**

(233)

-

Directors Fees (\$61,000) in respect of the non-executive directors, and salaries (\$172,000) in respect of the executive directors of the Group.

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	(1,760)
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

Purchases from eStore warehousing. Kogan Australia Pty Ltd entered into a Logistic Services Agreement with eStore Logistics Pty Ltd ("eStore"), in a prior financial period, in relation to the provision of warehousing, distribution and logistics services by eStore to Kogan Australia. Ruslan Kogan is a minority shareholder and Director of eStore. The agreement was entered into on an arm's length basis.

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	10,000	-
8.2 Credit standby arrangements	-	-
8.3 Other (see below)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

On 31 May 2016, the Group signed a multi-option facility agreement with Westpac Banking Corporation, maturing on 31 May 2019. The Facility includes a Cash Advance Facility, Trade Finance Facility and LC Facility with a total limit of \$10.0 million.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	-
9.2 Inventory purchases and operating costs	(69,435)
9.3 Advertising and marketing	(2,948)
9.4 Leased assets	(262)
9.5 Staff costs	(3,386)
9.6 Administration and corporate costs	(785)
9.7 Other (finance & income tax costs)	(570)
<b>9.8 Total estimated cash outflows</b>	<b>(77,386)</b>

The estimated cash outflows for the next quarter represent management's current best estimate.

10.	Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1	Name of entity	-	-
10.2	Place of incorporation or registration	-	-
10.3	Consideration for acquisition or disposal	-	-
10.4	Total net assets	-	-
10.5	Nature of business	-	-

### Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:



Date: 25 July 2017

Print name: Mark Licciardo.....

### Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.