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ASX Announcement

10 June 2020

Kogan.com launches A\$100m Placement and Share Purchase Plan

Key Highlights:

- Kogan.com Limited (the **Company; Kogan.com; ASX:KGN**) to undertake a fully underwritten placement of A\$100m at an offer price of A\$11.45 per share (**Placement**).
- Following completion of the Placement, the Company will also conduct a non-underwritten share purchase plan offer to existing eligible shareholders to raise up to A\$15m (**SPP Offer**).
- Kogan.com intends to use the proceeds from the Placement and SPP Offer (together, the **Capital Raising**) to provide the financial flexibility to act quickly on future value accretive opportunities that broaden the Company's offering, expand its customer base or enhance its operating model.
- Gross Sales grew 103.6% and Adjusted EBITDA grew 219.3% YoY across April and May 2020. Pro-forma cash position post Capital Raising is approx. A\$158.6m.

Background:

Proceeds from the Capital Raising will be used to provide the financial flexibility to act quickly on future value accretive opportunities. Kogan.com has a disciplined approach to capital deployment and a proven track record of delivering operating leverage.

Kogan.com is well positioned to take advantage of current market conditions given the Company's ability to extract synergies through its leading proprietary systems, diversified supply chain and low cost of doing business. While multiple opportunities are presenting themselves, the Company will focus on opportunities that are value accretive and broaden its offering, expand its customer base or enhance its operating model.

Management have a strong track record of acquiring and integrating iconic Australian retailers such as Dick Smith and Matt Blatt. Kogan.com is able to drive value from acquired businesses that have a strong brand by leveraging its existing systems, processes, supply chains and technology.

Kogan.com is a cash generative business that has not raised money since listing and has paid out regular dividends. Between IPO in July 2016 and June 2020 Kogan.com has delivered a TSR of 654.5%.

The Company's CEO Ruslan Kogan said, "*Kogan.com is committed to making the most in-demand products and services more affordable and accessible. Our long-term strategy has enabled us to thrive in the current challenging environment, and we are now in a better position than ever to take advantage of growth opportunities. Our low cost of doing business and digital expertise have put us in the driver's seat to capture market share as the retail industry undergoes significant change.*"

Placement:

Kogan.com has today announced a A\$100m fully underwritten Placement and will issue approximately 8,733,625 new fully paid ordinary shares (**New Shares**), representing 9.2% of the Company's existing issued capital.

The Placement will be conducted at A\$11.45 per share, which represents:

- A 7.5% discount to the last close price at Tuesday, 9 June 2020 of A\$12.38; and
- A 7.9% discount to the two-day VWAP at Tuesday, 9 June 2020 of A\$12.43.

Each New Share issued under the Equity Raising will rank pari passu with existing shares on issue.

Canaccord Genuity (Australia) Limited and Royal Bank of Canada (trading as RBC Capital Markets) are acting as joint lead managers and underwriters to the Placement.

Settlement of the New Shares issued under the Placement is expected to occur on 16 June 2020, with allotment of the New Shares issued under the Placement scheduled for 17 June 2020.

Share Purchase Plan:

Following completion of the Placement, Kogan.com will conduct an offer of New Shares under a non-underwritten share purchase plan (**SPP Offer**) to existing shareholders of the Company at 7.00pm (Melbourne time) on Tuesday, 9 June 2020 (**Record Date**) with an address on the Register in Australia or New Zealand.

The SPP Offer will provide each eligible shareholder with the opportunity to apply for up to A\$30,000 worth of New Shares at the same issue price for the shares being issued under the Placement (being A\$11.45).

Kogan.com is prepared to raise up to A\$15m under the SPP Offer but Kogan.com reserves the right to increase the size of the SPP Offer at the discretion of the Company. The SPP Offer may also be subject to a scale back of application at the absolute discretion of the Company.

The New Shares issued under the SPP Offer will rank pari passu with existing shares on issue. The SPP offer document (**SPP Booklet**) containing further details of the SPP Offer will be released on the ASX separately and is expected to be mailed to all eligible Shareholders in Australia and New Zealand on or about Thursday, 18 June 2020, being the date which the SPP Offer will open.

For further information regarding the SPP Offer Shareholders can contact the Company's share registry.

Kogan.com will seek quotation of the New Shares issued under the Placement and the SPP Offer on the ASX.

Key Event	Date
Record Date for SPP	7.00pm Melbourne time, Tuesday, 9 June 2020
Trading halt and announcement of the Offer	Wednesday, 10 June 2020
Placement opens	Wednesday, 10 June 2020
Placement closes	Wednesday, 10 June 2020

Results of the Placement announced to ASX	Thursday, 11 June 2020
Trading Halt lifted - Shares recommence trading on ASX	Thursday, 11 June 2020
Settlement of Placement	Tuesday, 16 June 2020
Allotment and normal trading of New Shares under the Placement	Wednesday, 17 June 2020
Despatch of SPP Booklet, and opening date of SPP	Thursday, 18 June 2020
Closing date of SPP	5.00pm Melbourne time, Friday, 3 July 2020
Announcement of results of SPP	Wednesday, 8 July 2020
Settlement of SPP	Thursday, 9 July 2020
SPP allotment and issue date, despatch of holding statements and normal trading of New Shares issued under the SPP	Friday, 10 July 2020

Kogan.com may change any of the above key dates at its discretion (even if the offer has opened or applications have been received).

Authorised for release by the Board of Kogan.com Limited.

ENDS

For further information please contact:
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About Kogan.com

Kogan.com is a portfolio of retail and services businesses that includes Kogan Retail, Kogan Marketplace, Kogan Mobile, Kogan Internet, Kogan Insurance, Kogan Travel, Kogan Money, Kogan Cars, Kogan Energy, Dick Smith and Matt Blatt. Kogan is a leading Australian consumer brand renowned for price leadership through digital efficiency. The company is focused on making in-demand products and services more affordable and accessible.

Forward looking statements

This announcement contains forward looking statements and comments about future events, which reflect Kogan's intent, belief or expectation, and are based on information available to Kogan, as at the date of this announcement. Such forward looking statements may include forecast financial and operating information about Kogan, its projects and strategies and statements about the industries and locations in which Kogan 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", "due to" 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'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 (particularly in light of the COVID-19 pandemic). Except as required by law, Kogan does not undertake to update or review any forward looking statements.

Non-IFRS/non-GAAP measures:

Kogan.com has included certain financial information, including EBITDA, GTV, and Gross Sales that are "non-GAAP financial measures" under Regulation G of the US Securities Exchange Act of 1934, as amended, and "non-IFRS financial information" under ASIC Regulatory Guide 230 (Disclosing non-IFRS financial information). Kogan.com believes that these non-IFRS/non-GAAP financial and operating measures provide useful information to recipients for measuring the underlying operating performance of Kogan.com's business. Non-IFRS/non-GAAP measures have not been subject to audit. The disclosure of such non-IFRS/non-GAAP financial measures in the manner included in this Announcement may not be permissible in a registration statement under the US Securities Act. These non-IFRS /non-GAAP financial measures do not have a standardised meaning prescribed by IFRS and therefore may not be comparable to similarly titled measures presented by other entities, and should not be construed as an alternative to other financial measures determined in accordance with IFRS. Although Kogan.com believes that these non-IFRS /non-GAAP financial measures provide useful information to users in measuring the financial position of its business, investors are cautioned not to place undue reliance on any non-IFRS /non-GAAP financial measures.

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