



FY20 RESULTS PRESENTATION

17 AUGUST 2020

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CEO Update

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CEO Update

Ruslan Kogan
Founder, CEO and Executive Director

In FY20 our Business thrived through adversity as years of preparation met opportunity, resulting in Gross Sales¹, Gross Profit and Adjusted EBITDA² growth of 39.3%, 39.6% and 57.6%, respectively.

FINANCIAL PERFORMANCE

- Gross Sales¹ of \$768.9 million outperformed the prior year by 39.3%
- Revenue, Gross Profit and Adjusted EBITDA² outperformed the prior year by 13.5%, 39.6% and 57.6%, respectively
- Growth in Gross Sales¹, Gross Profit and Adjusted EBITDA² accelerated through the period with 2HFY20 year-on-year (YoY) growth of 62.5%, 68.3% and 74.1% respectively
- The Business finished the year with a cash balance of \$146.7 million and an undrawn bank debt facility

PLATFORM GROWTH

- 2,183,000 Active Customers as at 30 June 2020 – an increase of 35.7% YoY
- Percentage of new Customers who placed a Repeat Order within 1 month of their First Order grew by more than 40% in 2HFY20 compared to the prior corresponding period

STRONG PERFORMANCE FROM KEY INITIATIVES

- Kogan Marketplace Gross Sales¹ grew by 71.2% in 2HFY20 compared to 1HFY20
- Exclusive Brands Revenue and Gross profit grew by 26.4% and 43.7% respectively
- Third-Party Brands Gross Profit grew by 3.3%
- Kogan Internet grew Customers by 90.9%
- Kogan Insurance grew commission-based Revenue by 36.0%
- Kogan First loyalty program continues to grow, with Kogan First members purchasing on average much more often than non-members, demonstrating loyalty to the platform

ACQUISITION

- The Company acquired Matt Blatt, one of Australia's premier furniture and homewares brands and a pioneer of the online furniture industry in Australia
- The new Matt Blatt website, under the Company's management, was operational within 1 day of signing the deal

DIVIDEND

- Final dividend announced of 13.5 cents per share, fully franked

1. The Company believes Gross Sales is a key metric of the Business, given that gross transaction values of Kogan Marketplace, Kogan Mobile, and other New Verticals are not reflected in Revenue.
2. Adjusted EBITDA is a measure of the underlying performance of the Business, it removes non-cash items including the unrealised FX gain/ (loss), equity-based compensation and one-off non-recurring items.

FY20 RESULTS

Adjusted EBITDA¹ of \$49.7 million exceeded FY19 Adjusted EBITDA¹ by 57.6%, driven by Gross Profit growth of 39.6%.

| \$m | FY19 | FY20 | FY19 vs FY20 Variance |
|------------------------------------|--------------|--------------|--------------------------|
| Gross Sales² | 551.8 | 768.9 | 39.3% ▲ |
| Revenue ³ | 438.7 | 497.9 | 13.5% ▲ |
| Gross Profit | 90.7 | 126.5 | 39.6% ▲ |
| <i>Gross Margin</i> | 20.7% | 25.4% | 4.7pp/23% ▲ |
| EBITDA | 30.1 | 46.5 | 54.5% ▲ |
| Adjusted EBITDA¹ | 31.5 | 49.7 | 57.6% ▲ |
| NPAT | 17.2 | 26.8 | 55.9% ▲ |

1. Adjusted EBITDA is a measure of the underlying performance of the Business, it removes non-cash items including the unrealised FX gain/ (loss), equity-based compensation and one-off non-recurring items.

2. The Company believes Gross Sales is a key metric of the Business, given that gross transaction values of Kogan Marketplace, Kogan Mobile, and other New Verticals are not reflected in Revenue.

3. The differential between Revenue and Gross Sales is reflective of Kogan Marketplace and New Verticals recognising only seller fee or commission-based Revenue while the gross transaction values are recognised within Gross Sales.

2HFY20 RESULTS

Growth in Gross Sales¹, Gross Profit, Adjusted EBITDA² and NPAT accelerated in 2HFY20.

| \$m | 2HFY19 | 2HFY20 | 2HFY19 vs 2HFY20 Variance |
|------------------------------------|--------------|--------------|------------------------------|
| Gross Sales¹ | 274.5 | 446.1 | 62.5% ▲ |
| Revenue ³ | 206.9 | 278.4 | 34.5% ▲ |
| Gross Profit | 45.5 | 76.6 | 68.3% ▲ |
| <i>Gross Margin</i> | 22.0% | 27.5% | 5.5pp/25.1% ▲ |
| EBITDA | 16.5 | 29.8 | 80.3% ▲ |
| Adjusted EBITDA² | 18.1 | 31.5 | 74.1% ▲ |
| NPAT | 9.8 | 17.9 | 82.3% ▲ |

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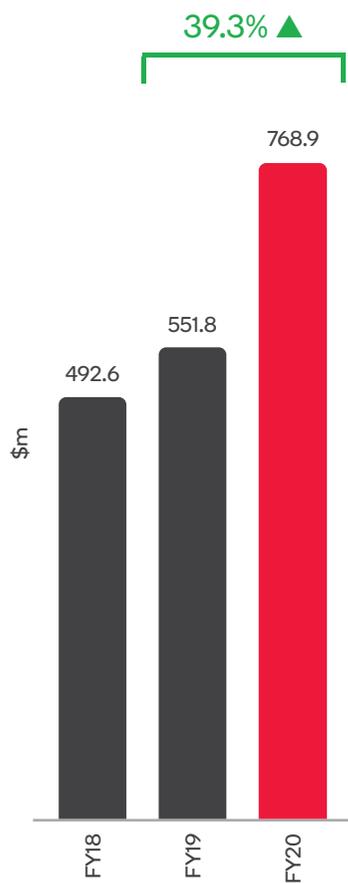
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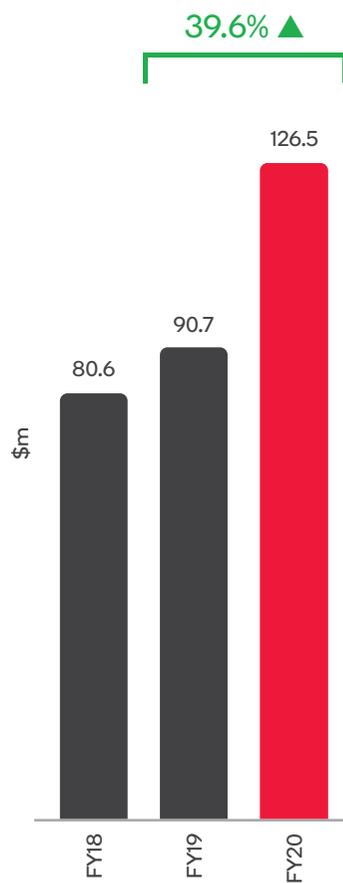
FINANCIAL HIGHLIGHTS

Improving Operating Leverage over many years has allowed Kogan.com to grow Adjusted EBITDA¹ at a faster rate than Gross Sales² and Gross Profit.

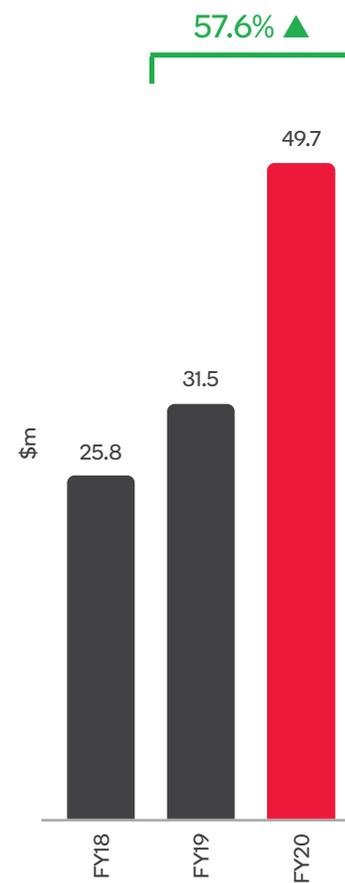
GROSS SALES²



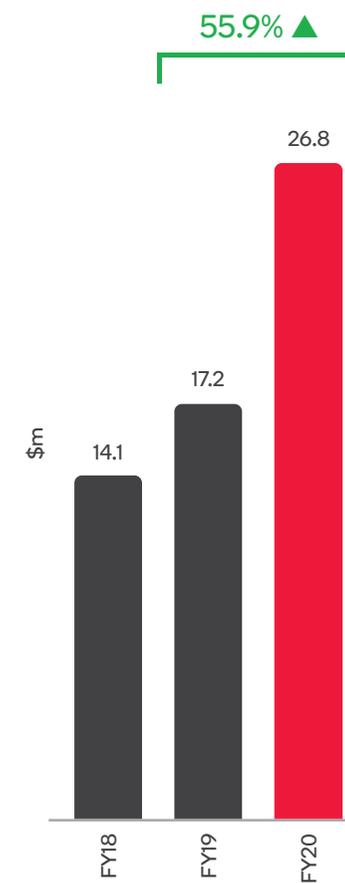
GROSS PROFIT



ADJUSTED EBITDA¹



NPAT

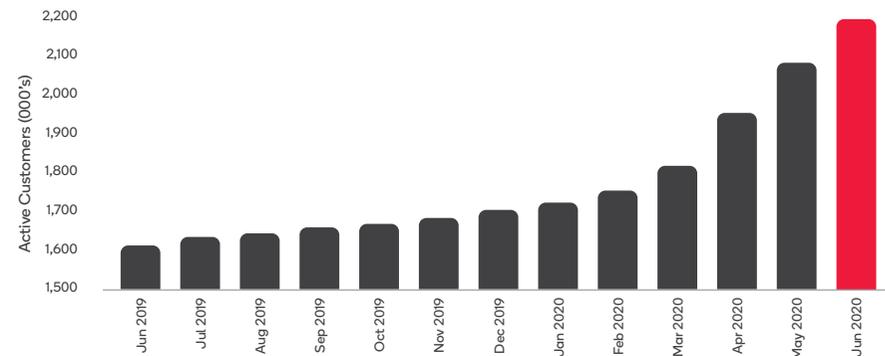


1. Adjusted EBITDA is a measure of the underlying performance of the Business, it removes non-cash items including the unrealised FX gain/ (loss), equity-based compensation and one-off non-recurring items.
2. The Company believes Gross Sales is a key metric of the Business, given that gross transaction values of Kogan Marketplace, Kogan Mobile, and other New Verticals are not reflected in Revenue.

WHO WE ARE

We have built a Business that allows us to be agile, bold and innovative. Our growing portfolio of businesses enables us to scale significantly while mitigating operational risks.

kogan.com
2,183,000
Active Customers



kogan
retail

kogan
travel

kogan
mobile

kogan
mobilenz

kogan
internet

kogan
insurance

kogan
life insurance

kogan
pet insurance

kogan
health

kogan
cars

kogan
marketplace

kogan
energy

kogan
money

kogan
super

kogan
credit cards

kogan
travel:hotels

kogan
home loans

dick smith
.com.au

dick smith
.co.nz

MATT BLATT

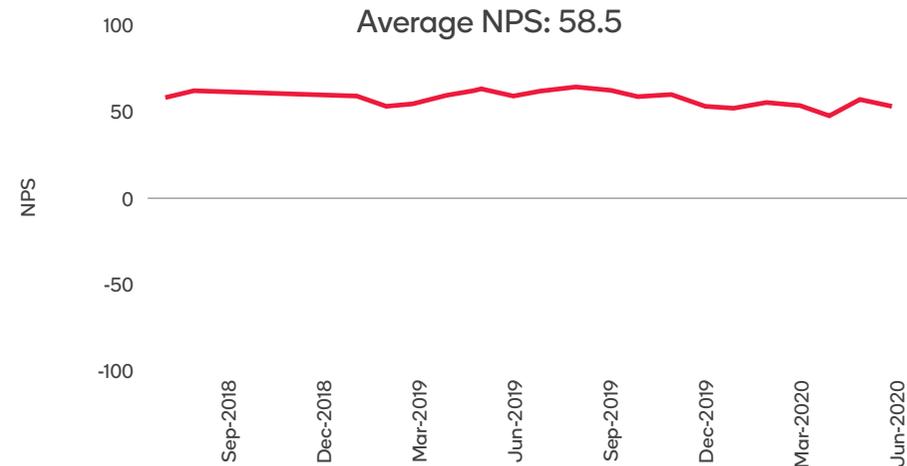
DEDICATED TO SERVE OUR CUSTOMERS

We continue to deliver a high level of customer satisfaction across a wide range of products and services.

Three-peat! Third year running, winner of the People's Choice Award at the Australia Post Online Retail Industry Awards 2019 (ORIAS)



NET PROMOTER SCORE¹



MOZO Experts Choice Awards for Kogan Internet, Kogan Life Insurance & Kogan Energy



MOZO People's Choice Awards for Kogan Mobile



Rate City Gold Awards

Variable Home Loan, 3-year Fixed Home Loan, Investor Variable Home Loan, Investor 3-year Fixed Homes Loan



Finder Best NBN 100 Plan



How do we continue to delight our customers?

- Offer a wide range of in-demand products & services at the best prices
- Execute fast & efficient delivery with excellent customer service
- Always strive to exceed customer expectations

1. Net Promoter Score (NPS) is calculated based on answers to the question, "How likely is it that you would recommend Kogan.com to a friend or colleague?". Kogan.com measures its NPS as the percentage of customers who are "promoters" rating its products and services 9 or 10 out of a possible 10, less the percentage of "detractors", rating its products and services 0 to 6 out of a possible 10. The maximum possible NPS is 100, and the minimum possible NPS is -100.

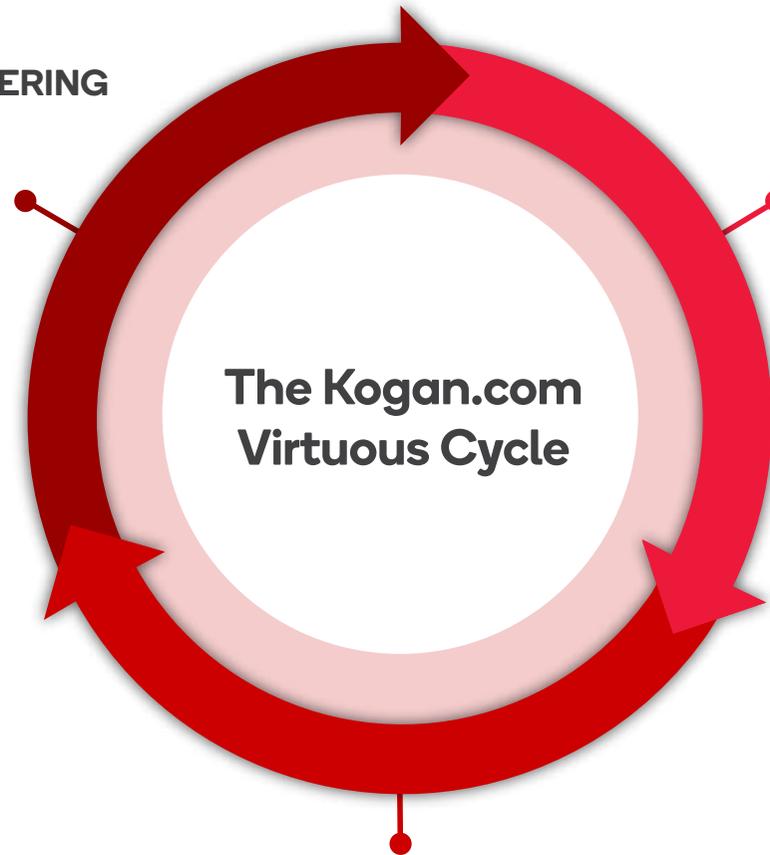
Our mission is to make the most in-demand products and services more affordable and accessible for all.

ENHANCED CONSUMER OFFERING

- Broader selection
- Improved pricing

CUSTOMER & PLATFORM GROWTH

- Scale of efficiencies
- Customer acquisition & retention



**The Kogan.com
Virtuous Cycle**

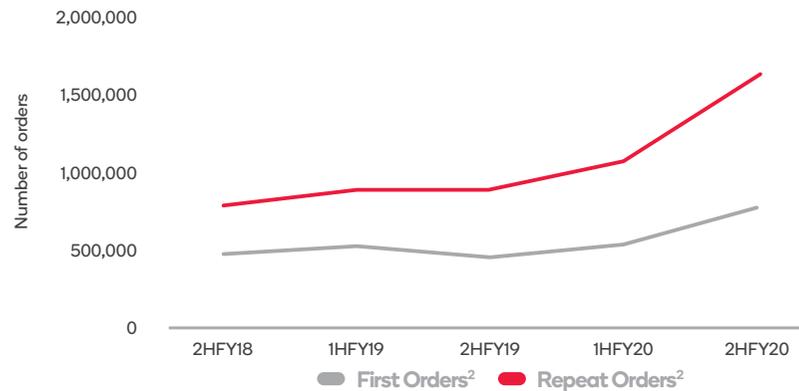
MORE PARTNERS & PRODUCTS

- More brands
- Additional verticals
- Top tier manufacturing partners
- More Marketplace sellers

BUILDING THE KOGAN.COM PLATFORM

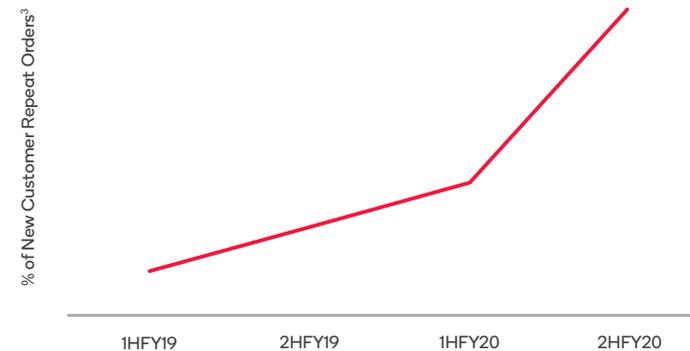
Annual Gross Sales per Customer¹ is expected to benefit as recently acquired Customers continue to shop through the remainder of their first year.

REPEAT BUSINESS - CREATING BRAND LOYALTY

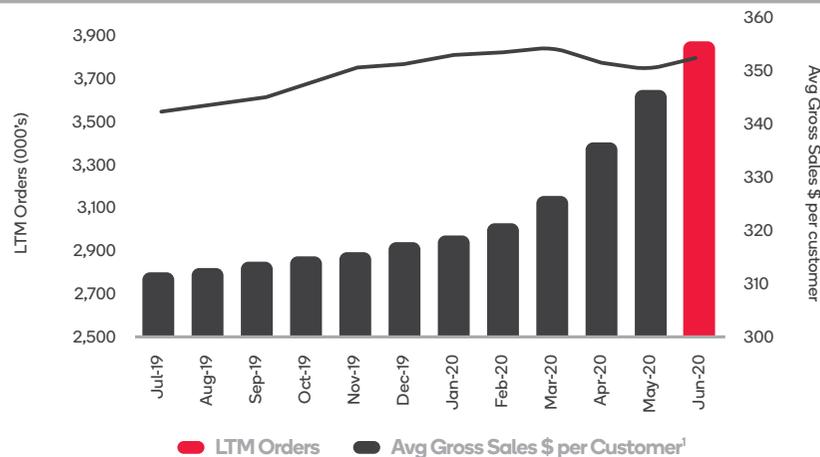


REPEAT BUSINESS - NEW CUSTOMERS

More than 40% growth YoY in 2HFY20 of new customers who placed a repeat purchase within 1 month.



LTM CUSTOMER ORDERS & AVERAGE GROSS SALES PER CUSTOMER¹



Repeat business from new Customers, Repeat Orders is rapidly accelerating, as customers access loyalty benefits and breadth of range. This is particularly visible in the growth of New Customer Repeat Orders³, which shows the percentage of Customers who placed a Repeat Order² within 1 month of their First Order² grew by more than 40% in 2HFY20 compared to the prior corresponding period.

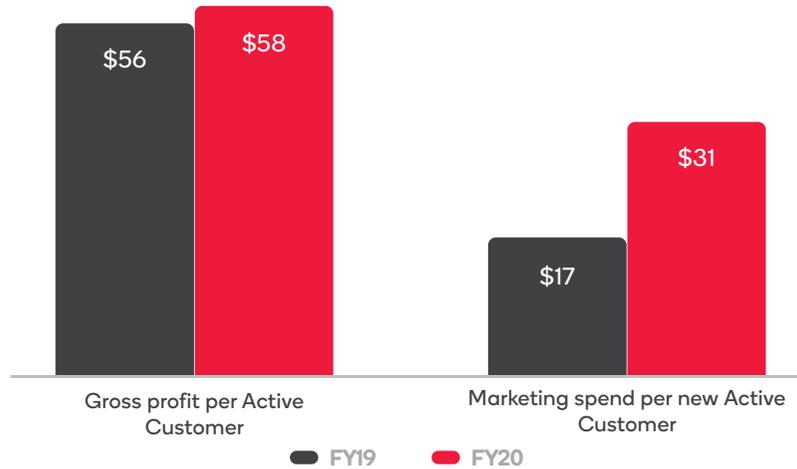
LTM customer orders & average Gross Sales per Customer¹, the number of customer orders is rapidly accelerating with the significant growth in Active Customers in recent months. Annual Gross Sales per Customer¹ is expected to benefit as recently acquired Customers continue to shop through the remainder of their first year.

1. Gross sales \$ per customer is Gross Sales within the prior 365 days/no. of Active Customers within the prior 365 days.
 2. First Orders means orders placed during the period by customers who had not previously transacted with the Business. Repeat Orders means orders placed during the period by customers who had previously transacted with the Business at the time of their order.
 3. New Customer Repeat Orders refers to the percentage of customers who place a Repeat Order within 1 month of their First Order.

BUILDING THE KOGAN.COM PLATFORM

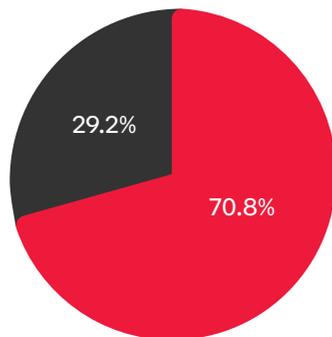
Free traffic continues to represent more than 70% of all traffic following significant investment in our platform.

LTM RETURN ON INVESTMENT IN MARKETING¹



LTM return on investment in marketing¹, we have invested heavily in our platform and growing Active Customers in 2HFY20, recording our largest marketing spend ever in FY20. This is expected to have ongoing long-term benefits as new Active Customers continue repurchasing.

TRAFFIC - FREE (BRAND DRIVERS) VS PAID MARKETING



Free Sources

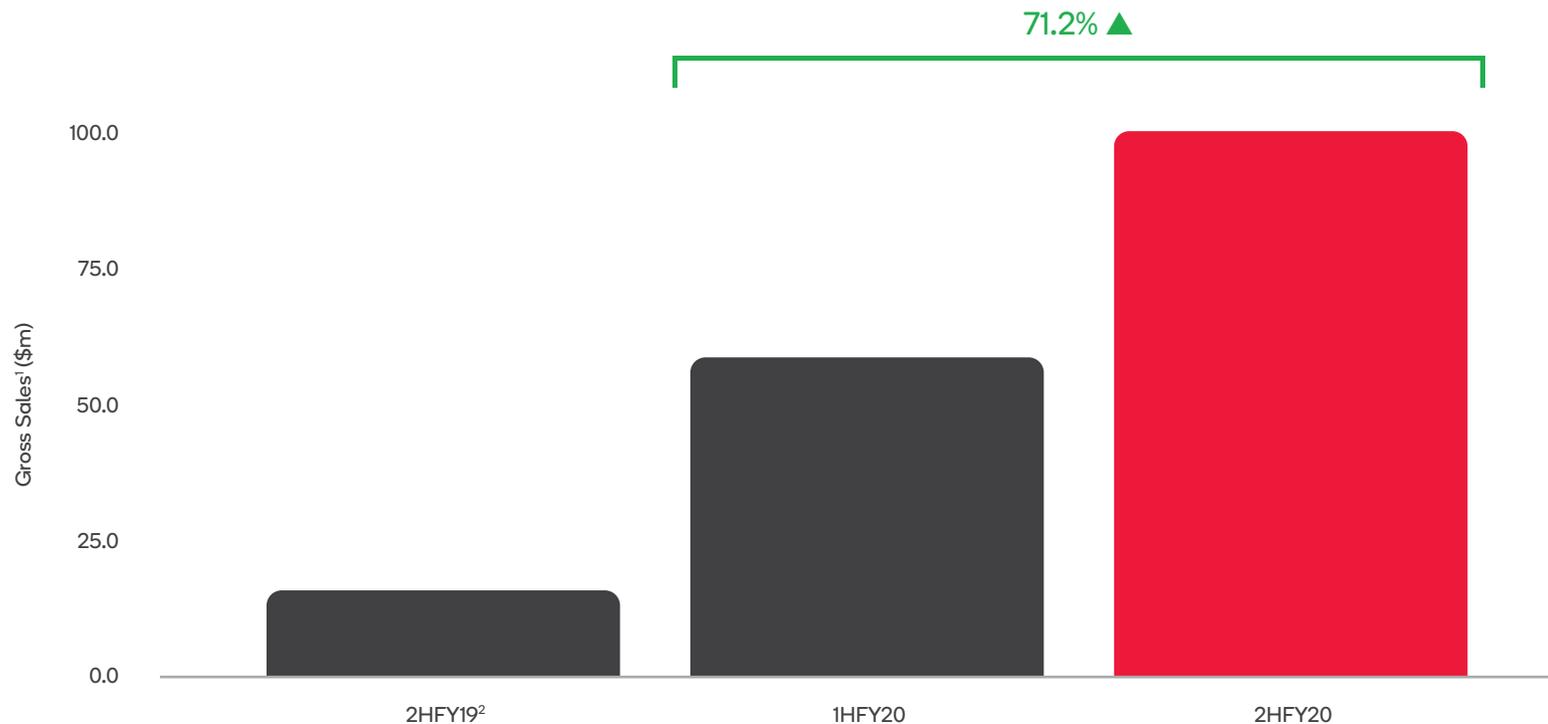
- Direct website traffic
- Direct App traffic
- Brand searches
- Other organic search queries
- Email-based direct marketing
- Others

Free vs paid marketing, proportion of traffic from paid sources has increased following significant marketing investment, while free traffic continues to represent more than 70% of all traffic (FY19: Free 74%, Paid: 26%).

1. LTM Gross Profit /LTM Active Customers FY19 vs FY20; marketing costs/sum of new Active Customers in FY20 vs FY19.

Gross Sales¹ in 2HFY20 grew by 71.2% on 1HFY20. The pipeline for new sellers remains strong and continues to grow.

KOGAN MARKETPLACE GROSS SALES¹ ACHIEVED SIGNIFICANT GROWTH HALF-ON-HALF



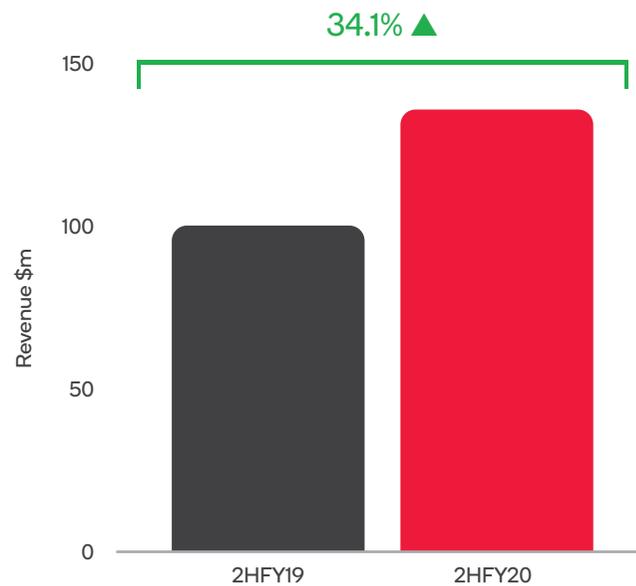
The growth of Kogan Marketplace demonstrates the scalability of the platform and the strong customer and seller engagement achieved to date, while also indicating the size of the opportunity as the Kogan Marketplace expands its offering, makes it easier for sellers to list products on Kogan.com, and launches in New Zealand.

1. The Company believes Gross Sales is a key metric of the Business, given that gross transaction values of Kogan Marketplace, Kogan Mobile, and other New Verticals are not reflected in Revenue.
2. Kogan Marketplace launched in 3QFY19, the prior period (2HFY19) does not reflect a full half of trading.

EXCLUSIVE BRANDS STRATEGY

Exclusive Brands achieved Revenue growth of 34.1% in 2HFY20 vs 2HFY19, continuing to meet strong consumer demand across a wide-array of products.

YoY GROWTH IN EXCLUSIVE BRANDS REVENUE ACCELERATED IN 2HFY20



Exclusive Brands growth rate increased YoY and benefits from:

- Full control of the end-to-end supply chain
- Strong competitive advantage
- Building trusted brands renowned for value
- Compelling consumer offering
- Ever expanding range of in-demand products
- 14+ years' experience

kogan

KOMODO

bubbli

CERTA

ovela

Scharfen

nutrivance

COOKMASTER

Trafalgar

FORTIS

VOSTOK

SHANGRI-LA

BELLA VITA

Pestill

ERGOLUX

orbis

ESTELLE

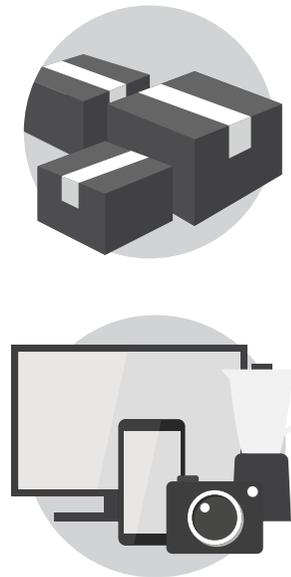
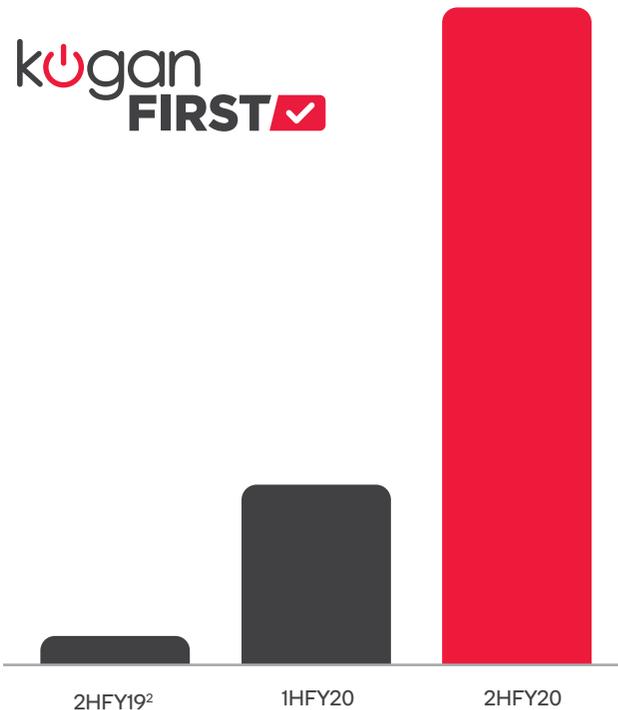
KROMO

Pawever Pets

UGG
OUTBACK
—CLOTHING CO.—

Kogan First provides members with a suite of consumer benefits, creating a large and growing community of loyal customers who access free shipping and a range of exclusive benefits.

KOGAN FIRST MEMBERS¹



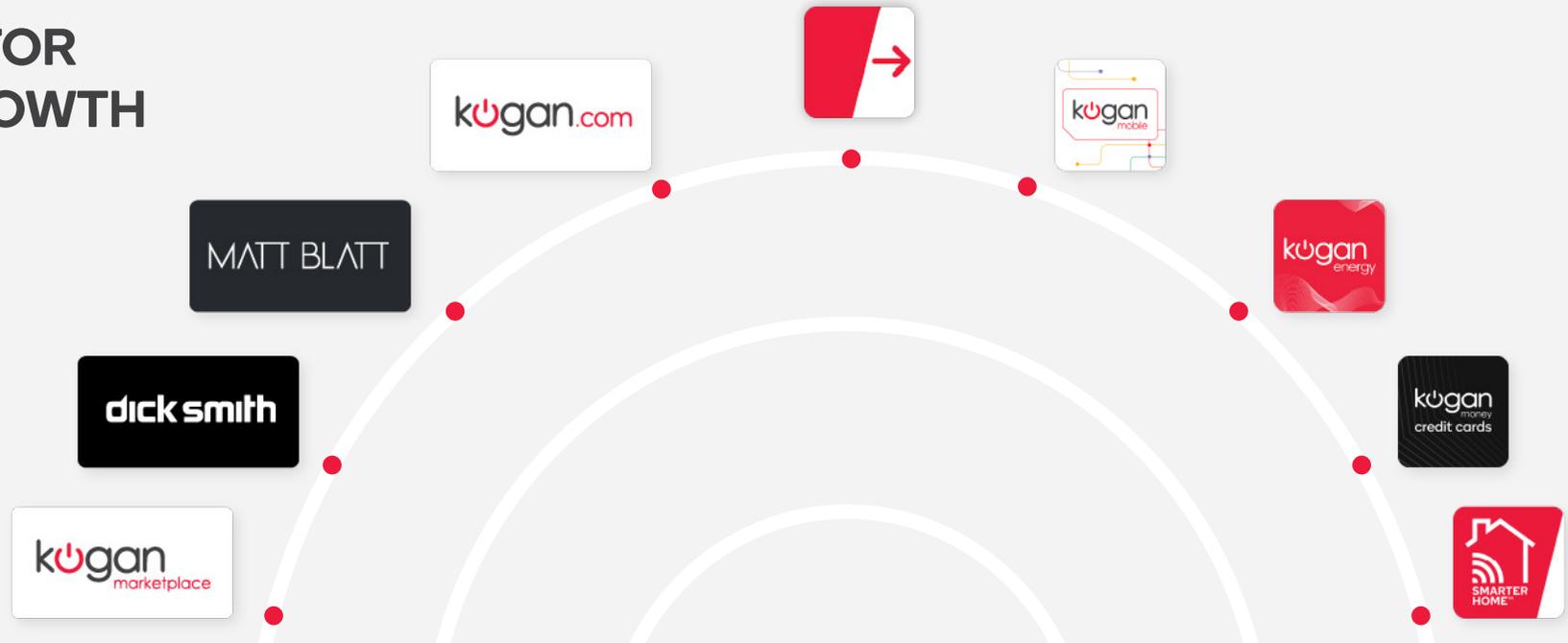
Kogan First members purchase on average much more often than non-members, demonstrating loyalty to the platform, and also demonstrating the significant savings available through the loyalty program.

1. Kogan First Members excludes Kogan First customers who are in a trial period or have received complimentary Kogan First Membership, and includes only those members who have paid membership fees.
2. Kogan First launched in 4QFY19, the prior period (2HFY19) does not reflect a full half of trading.

OUR PROPRIETARY TECHNOLOGY

IT solutions powering scale.

PLATFORM FOR SCALE & GROWTH



TECHNOLOGY PLATFORM

Proprietary eCommerce Engine

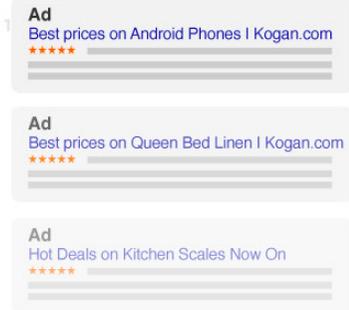
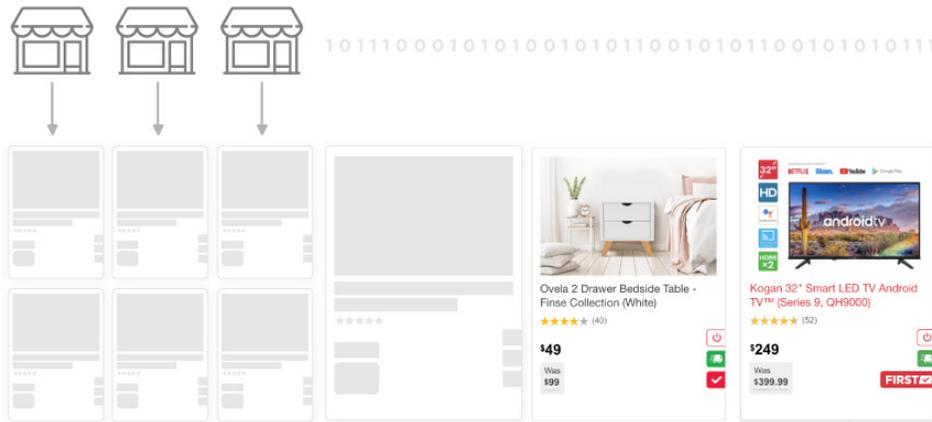
- Offers over 13 payment methods - including BNPL
- Secure platform & Identity Management
- Behavioural Marketing & A.I.
- Multi-brand, multi-region eCommerce capability
- Proprietary Product Search algorithm
- Unified 360° Customer Data Platform
- Automated & optimised digital ad generation

Refined Team Technical Capability

- Strong development processes
- Full stack cross functional capability
- Refined tooling & continuous delivery
- Production deployments daily

OUR PROPRIETARY TECHNOLOGY

MARKETPLACE



ALGORITHMS & A.I. POWERING SCALE

Kogan's proprietary technology processes millions of events each day to achieve industry leading personalisation and optimisation across:

- A.I. powered recommendations on site and in outbound marketing;
- Dynamic and personalised marketing messages;
- Enhanced search results;
- Industry leading anomaly and fraud detection; and
- Automatic ad generation and spend optimisation across hundreds of thousands of SKUs, millions of keyword combinations - all optimised for individual performance.



Financial Update

David Shafer
CFO, COO and Executive Director

FY20 RESULTS COMPARED TO FY19

Adjusted EBITDA¹ growth to \$49.7 million represents an increase of 57.6%.

| \$m | FY19 | FY20 | Variance % |
|--------------------------------|---------------|---------------|--------------|
| Gross Sales² | 551.8 | 768.9 | 39.3% |
| Revenue ³ | 438.7 | 497.9 | 13.5% |
| Cost of sales | (348.0) | (371.4) | 6.7% |
| Gross Profit | 90.7 | 126.5 | 39.6% |
| Gross margin | 20.7% | 25.4% | 4.7pp/23% |
| Variable costs | (18.1) | (20.1) | 10.9% |
| Marketing costs | (18.7) | (27.6) | 47.9% |
| Contribution Profit | 53.8 | 78.8 | 46.4% |
| Contribution margin | 12.3% | 15.8% | 3.6% |
| People costs | (16.5) | (20.2) | 22.0% |
| Other costs | (7.0) | (10.6) | 52.1% |
| Total operating costs | (60.4) | (78.6) | 30.2% |
| Unrealised FX gain/(loss) | (0.2) | (1.4) | 659.2% |
| EBITDA | 30.1 | 46.5 | 54.5% |
| EBITDA Margin | 6.9% | 9.3% | 2.5pp/36.2% |
| Unrealised FX gain/(loss) | (0.2) | (1.4) | 659.2% |
| Equity-based compensation | (1.2) | (1.0) | (16.2%) |
| Penalties & costs provision | 0.0 | (0.7) | 0.0% |
| Adjusted EBITDA ¹ | 31.5 | 49.7 | 57.6% |
| Depreciation & amortisation | (6.7) | (7.4) | 10.1% |
| EBIT | 23.4 | 39.1 | 67.4% |
| Interest | 0.0 | (0.2) | (719.3%) |
| Profit before tax | 23.4 | 38.9 | 66.0% |
| Income tax expense | (6.2) | (12.0) | 94.0% |
| NPAT | 17.2 | 26.8 | 55.9% |

Overview

Gross Sales² reflects the total transactional value of Kogan Retail, Kogan Marketplace and New Verticals. Revenue reflects the accounting Revenue of Kogan Retail and only the commission or seller fees received from Kogan Marketplace and New Verticals.

Revenue³ was driven by the growth from Exclusive Brands and Kogan Marketplace increasing 26.4% and 768.4% YoY, respectively. Kogan Internet, Kogan Insurance, Kogan First and advertising income all grew YoY. Third-Party Brands Revenue stabilised.

Gross Margin increased by 4.7pp to 25.4% as a result of the growth in commission-based or seller-fee-based Revenue across the New Verticals and Kogan Marketplace. Gross Margin within Exclusive Brands and Third-Party Brands also increased YoY.

Variable costs reflect the increased volume in transactions and stock holdings that has allowed the Business to deliver its largest Gross Sales¹ and Gross Profit ever.

Marketing costs reflect a strategic investment in marketing and has delivered Active Customer growth of 35.7% since FY19, equating to 574,000 incremental Active Customers.

Contribution profit grew 46.4% YoY owing to the investment made in our platform, technology and supply chain.

EBITDA of \$46.5 million reflects an increase in EBITDA margin of 2.5pp to 9.3%. EBITDA was impacted by unrealised FX losses of \$1.4 million which are non-cash. Adjusted EBITDA¹ excluding unrealised FX losses, equity-based compensation and provision for penalties & costs grew to \$49.7 million.

1. Adjusted EBITDA is a measure of the underlying performance of the Business, it removes non-cash items including the unrealised FX gain/ (loss), equity-based compensation and one-off non-recurring items.
 2. The Company believes Gross Sales is a key metric of the Business, given that gross transaction values of Kogan Marketplace, Kogan Mobile, and other New Verticals are not reflected in Revenue.
 3. The differential between Revenue and Gross Sales is reflective of Kogan Marketplace and New Verticals recognising only commission-based Revenue while the gross transaction values are recognised within Gross Sales.

2HFY20 RESULTS COMPARED TO 2HFY19

2HFY20 reflected a period of strong acceleration in key metrics.

| \$m | 2HFY19 | 2HFY20 | Variance % |
|--------------------------------|---------------|---------------|---------------|
| Gross Sales¹ | 274.5 | 446.1 | 62.5% |
| Revenue ² | 206.9 | 278.4 | 34.5% |
| Cost of sales | (161.4) | (201.8) | 25.0% |
| Gross Profit | 45.5 | 76.6 | 68.3% |
| Gross margin | 22.0% | 27.5% | 5.5pp/25.1% |
| Variable costs | (9.3) | (10.3) | 10.1% |
| Marketing costs | (7.1) | (18.9) | 168.6% |
| Contribution Profit | 29.1 | 47.4 | 62.6% |
| Contribution margin | 14.1% | 17.0% | 2.9% |
| People costs | (8.6) | (11.0) | 28.6% |
| Other costs | (3.2) | (6.0) | 85.8% |
| Total operating costs | (28.2) | (46.2) | 64.1% |
| Unrealised FX gain/(loss) | (0.8) | (0.6) | (31.4%) |
| EBITDA | 16.5 | 29.8 | 80.3% |
| EBITDA Margin | 8.0% | 10.7% | 2.7pp/34% |
| Unrealised FX gain/(loss) | (0.8) | (0.6) | (31.4%) |
| Equity-based compensation | (0.7) | (0.4) | (40.9%) |
| Penalties & costs provision | 0.0 | (0.7) | 0.0% |
| Adjusted EBITDA ³ | 18.1 | 31.5 | 74.1% |
| Depreciation & amortisation | (3.5) | (3.6) | 1.5% |
| EBIT | 13.0 | 26.3 | 101.7% |
| Interest | (0.1) | (0.2) | 109.3% |
| Profit before tax | 12.9 | 26.1 | 101.6% |
| Income tax expense | (3.1) | (8.2) | 162.6% |
| NPAT | 9.8 | 17.9 | 82.3% |

Overview

Gross Sales¹ growth accelerated through the period. Our diversified supply chain and business preparation over many years enabled us to meet growing consumer demand.

Gross Margin increased by 5.5pp to 27.5% as a result of commission-based or seller-fee-based Revenue growth across the New Verticals and Kogan Marketplace. Gross Margin within Exclusive Brands and Third-Party Brands also increased YoY. Gross Margin also improved in 2HFY20 compared to the prior half driven by growth in Kogan Marketplace and expansion in product margins across the Business.

Marketing costs reflect the significant investment made by the Business in growing our platform and Active Customers in 2HFY20.

Contribution profit grew 62.6% over the period driven by the investment made in our platform, technology and supply chain.

People costs includes a provision of \$0.9 million for STI bonus payments to the management team in respect of FY20 outperformance.

EBITDA of \$29.8 million reflects an increase in EBITDA margin of 2.7pp to 10.7%. EBITDA was impacted by unrealised FX losses of \$0.6 million which are non-cash and the \$0.7 million provisions for penalties & costs. Adjusted EBITDA³ excluding unrealised FX losses, equity-based compensation and provision for penalties & costs grew to \$31.5 million, an increase of 74.1% on the prior half 2HFY19. Notwithstanding the significant investment in Marketing, the Business was able to further improve operating leverage due to strong repeat purchasing behaviour by consumers.

1. The Company believes Gross Sales is a key metric of the Business, given that gross transaction values of Kogan Marketplace, Kogan Mobile, and other New Verticals are not reflected in Revenue.
 2. The differential between Revenue and Gross Sales is reflective of Kogan Marketplace and New Verticals recognising only commission-based Revenue while the gross transaction values are recognised within Gross Sales.
 3. Adjusted EBITDA is a measure of the underlying performance of the Business, it removes non-cash items including the unrealised FX gain/ (loss), equity-based compensation and one-off non-recurring items.

KEY DRIVERS OF KOGAN.COM FY20 FINANCIAL PERFORMANCE

Kogan.com shines through adversity as preparation meets opportunity.

PLATFORM GROWTH

The Business achieved growth in Active Customers of 35.7% in FY20. At 30 June 2020 the Business had 2,183,000 Active Customers.

Kogan First memberships scaled significantly during FY20 as more and more customers recognise the significant value we are offering via our loyalty program.

The Business strategically increased its marketing activities in order to grow Active Customers. The significant investment to grow our platform and Active Customers had an immediate impact on growth in Active Customers and is also expected to have ongoing long-term benefits to our Business.

PRODUCT DIVISIONS

Exclusive Brands continued to achieve year-on-year Revenue growth with an increase of 26.4% on FY19. Exclusive Brands also achieved Gross Profit growth of 43.7%, resulting in a contribution of 51.3% to overall Gross Profit in FY20. This was achieved through ongoing investment in Exclusive Brands inventory to broaden our range and meet consumer demand from the growing base of Active Customers.

Third-Party Brands returned to growth in Gross Profit, delivering an increase of 3.3% on FY19, through improved product selection and sourcing.

KOGAN MARKETPLACE

The success of Kogan Marketplace has resulted in Gross Sales¹ increasing by 71.2% in 2HFY20 compared to 1HFY20. The platform continues to resonate with sellers, with Kogan Marketplace having increased the number of sellers significantly, while there continues to be a long backlog of sellers ready to be onboarded.

The exceptional growth of Kogan Marketplace has led to a period of transition for the Business. We are continually improving our proprietary marketplace platform which enables the Business to achieve ongoing growth without a corresponding investment in inventory. The growth of Kogan Marketplace means that customers have more choice than ever.

1. The Company believes Gross Sales is a key metric of the Business, given that gross transaction values of Kogan Marketplace, Kogan Mobile, and other New Verticals are not reflected in Revenue.

KEY DRIVERS OF KOGAN.COM FY20 FINANCIAL PERFORMANCE

NEW VERTICALS

Kogan Mobile performed relatively in line with FY19, contributing over 10% of total Gross Profit and setting up a solid foundation for growth of Kogan Mobile New Zealand. Kogan Internet Customers grew 90.9% year-on-year, resulting in commission-based Revenue increasing by 144.9% over the same time period.

Kogan Insurance, which includes our suite of insurance products, continues to scale. Commission-based Revenues grew 36.0% year-on-year.

New Verticals launched in 1HFY20, Kogan Cars, Kogan Credit Cards, Kogan Superannuation, Kogan Energy and Kogan Mobile NZ are growing. Customers continue to receive great deals on the services they need.

VARIABLE COSTS

Variable Costs predominantly consist of warehousing and selling costs. The increase in these costs is largely driven by growing volumes of transactions and stock holdings that has allowed the Business to deliver its largest Gross Sales¹ and Gross Profit ever.

INVESTMENT IN OUR TEAM

In order to retain key talent and align their interests with our Shareholders, the Business has made strategic investments in team members. People Costs are inclusive of the annual Short-Term Incentive of \$0.9 million for Senior Management following significant outperformance of budget. Long-Term Incentives remain in place and People Costs have increased year-on-year, partly as a result. The majority of equity-based compensation was issued in the period surrounding the IPO.

1. The Company believes Gross Sales is a key metric of the Business, given that gross transaction values of Kogan Marketplace, Kogan Mobile, and other New Verticals are not reflected in Revenue.

IMPROVING OPERATING LEVERAGE

| | FY17 | FY18 | FY19 | FY20 |
|---|---------------|---------------|---------------|---------------|
| Revenue | 100.0% | 100.0% | 100.0% | 100.0% |
| Gross Margin | 17.9% | 19.5% | 20.7% | 25.4% |
| Delivered Margin (after all logistics costs) | 14.2% | 16.1% | 16.5% | 21.4% |
| Marketing costs | 3.7% | 4.8% | 4.3% | 5.6% |
| Contribution Margin | 10.6% | 11.3% | 12.3% | 15.8% |
| Fixed costs | 6.3% | 5.0% | 5.4% | 6.2% |
| EBITDA Margin | 4.3% | 6.3% | 6.9% | 9.3% |
| Adjusted EBITDA Margin | 5.2% | 6.3% | 7.2% | 10.0% |

Over the past four years, we have delivered growth in Gross Margin, Contribution Margin, EBITDA Margin and Adjusted EBITDA Margin. We continue to deliver significant projects to grow our products and services offering, while heavily investing in our platform.

FY20 GROSS PROFIT PRODUCT & BUSINESS MIX

More than half of our Gross Profit is generated from our Exclusive Brands Products.

Other Income¹ 5.6%

Advertising Income 2.9%

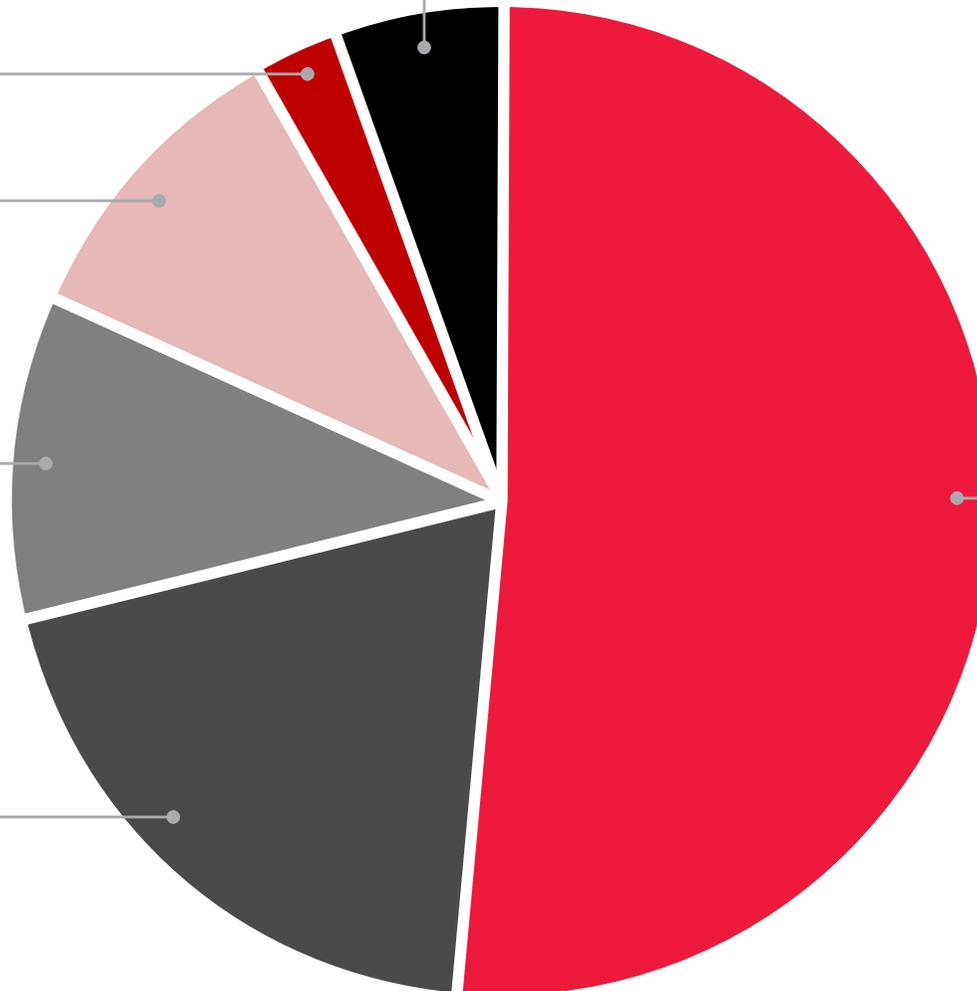
Kogan Mobile Australia 10.1%

Kogan Marketplace 10.3%

Kogan Marketplace outperformed all expectations in FY20.

Third-Party Brands 19.8%

Third-Party Brands returned to growth by increasing YoY Gross Profit by 3.3%.



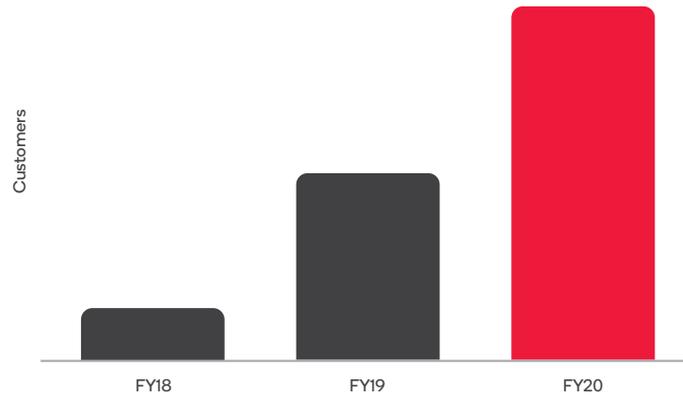
Exclusive Brands 51.3%

Exclusive Brands products continue to deliver the majority of our Gross Profit.

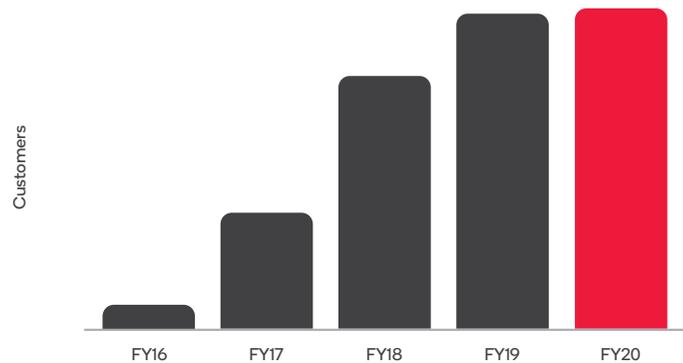
1. Other income includes Kogan Travel, Kogan Insurance, Kogan Internet, Kogan Mobile NZ, Kogan Cars, Kogan Energy and Kogan First.

Kogan Mobile Australia and Kogan Internet continue to achieve growth in number of Customers. Kogan Mobile NZ launched during 1HFY20.

KOGAN INTERNET CUSTOMERS¹



KOGAN MOBILE AUSTRALIA CUSTOMERS¹



Kogan Internet commission-based Revenue grew 144.9% year-on-year driven by Customer growth of 90.9%. Management are actively working with Vodafone to continue delivering competitive consumer offerings.

Kogan Mobile Australia, continues to contribute significantly to Gross Profit. The Business is continuing to work on new offerings to accelerate growth in FY21 and beyond.

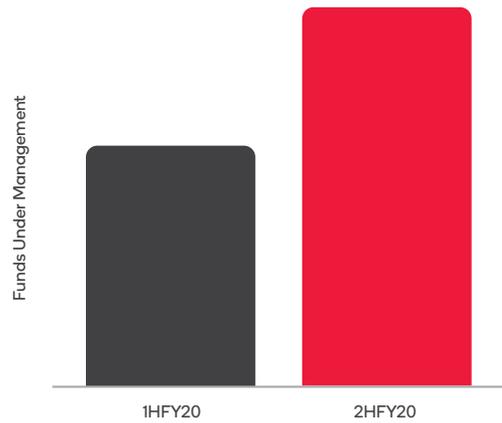
Kogan Mobile New Zealand, in partnership with Vodafone NZ, was launched during 1HFY20. Vodafone NZ is New Zealand's largest mobile network operator.

1. Are those customers whose services are active at the relevant reporting date.

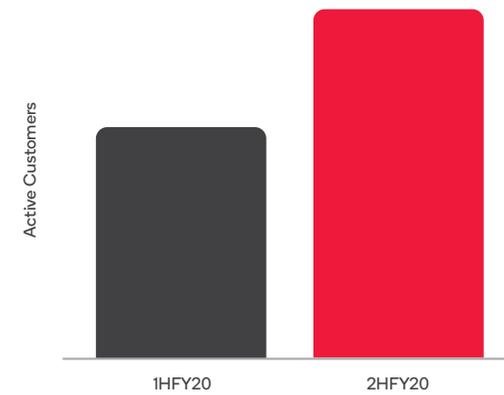
KOGAN SUPER, KOGAN ENERGY, KOGAN CREDIT CARDS

Recently launched Kogan Super, Kogan Energy and Kogan Credit Cards are growing strongly.

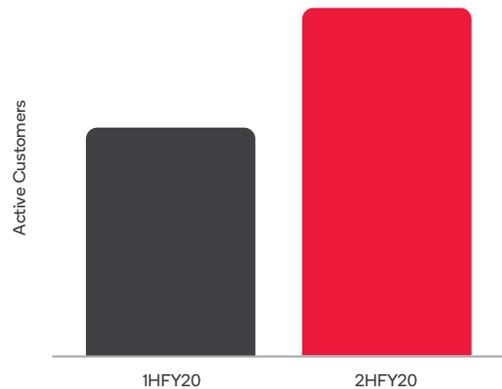
KOGAN SUPER FUNDS UNDER MANAGEMENT¹



KOGAN ENERGY CUSTOMERS²



KOGAN CREDIT CARDS CUSTOMERS²



Kogan Super is an ultra low-fee superannuation fund which launched in August 2019 in partnership with Mercer.

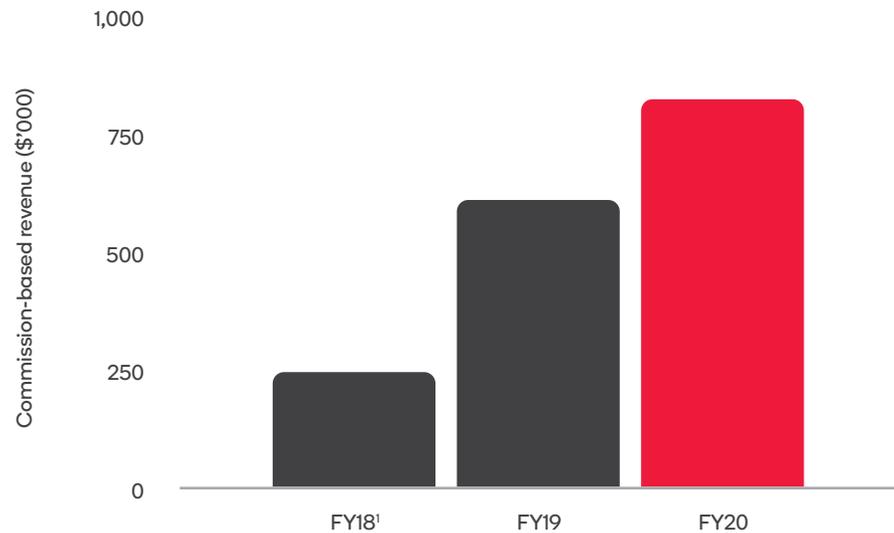
Kogan Energy offers competitive power and gas deals and was launched in September 2019 in partnership with part of the Meridian Energy Limited group.

Kogan Credit Cards is a credit card with uncapped Kogan reward points, no annual fee, complimentary Kogan First membership, and competitive rates and fees. It was launched in October 2019 in partnership with Citi.

1. Funds Under Management represents the market value of the financial assets managed under Kogan Super.
2. Only includes those customers with an active utilities or credit card account at the relevant reporting date.

Kogan Insurance commission-based Revenues for FY20 grew by 36.0% year-on-year.

KOGAN INSURANCE COMMISSION-BASED REVENUES



kogan
health

kogan
life insurance

kogan
pet insurance

kogan
insurance

Kogan Insurance, which includes our suite of insurance products, continues its strong growth in FY20.

1. Kogan Insurance launched in 1QFY18. As such, FY18 does not reflect a full year of commission-based Revenues.

NET ASSETS

A strong balance sheet at 30 June 2020 with \$146.7 million of cash and an undrawn debt facility.

| \$m | Jun-20 |
|--------------------------------------|--------------|
| CURRENT ASSETS | |
| Cash | 146.7 |
| Trade and other receivables | 6.8 |
| Inventories | 112.9 |
| Total current assets | 266.4 |
| NON-CURRENT ASSETS | |
| Property, plant and equipment | 0.3 |
| Right of use asset | 2.4 |
| Intangible assets | 8.3 |
| Deferred tax assets | 2.4 |
| Total non-current assets | 13.3 |
| Total assets | 279.7 |
| CURRENT LIABILITIES | |
| Trade and other payables | 88.0 |
| Lease liability | 2.0 |
| Provisions | 4.3 |
| Deferred income | 19.3 |
| Financial liabilities | 1.1 |
| Total current liabilities | 114.6 |
| NON-CURRENT LIABILITIES | |
| Lease liability | 0.5 |
| Deferred income and provisions | 0.6 |
| Total non-current liabilities | 1.0 |
| Total liabilities | 115.6 |
| Net ASSETS | 164.0 |

Cash balance at 30 June 2020 of \$146.7 million is inclusive of the proceeds from the \$100.0 million Placement, and exclusive of the proceeds from the \$20.0 million share purchase plan completed in July 2020.

Inventories held at 30 June 2020 was comprised of:

- \$80.4 million in warehouse; and
- \$32.5 million in transit.

More than 99% of inventory in warehouse was less than 365 days old.

The purchase of Matt Blatt included the capitalisation of intellectual property worth \$4.0m, which has been included within the intangible assets balance.

Financial liabilities is reflective of the unrealised FX loss recognised against forward contracts, which is non-cash.

Trade and other payables reached a seasonal high following the end of financial year peak sales period.

As at the balance date, the business had an undrawn bank debt facility of \$30.0 million.

FY20 STATUTORY CASH FLOW

| | \$m |
|---|--------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | |
| Receipts from customers | 578.0 |
| Payments to suppliers and employees | (522.8) |
| Interest received | 0.1 |
| Finance costs paid | (0.6) |
| Income tax paid | (9.0) |
| Net cash provided by operating activities | 45.6 |
| CASH FLOWS FROM INVESTING ACTIVITIES | |
| Purchase of property, plant and equipment | (0.2) |
| Purchase of intangible assets | (7.9) |
| Net cash (used in) investing activities | (8.1) |
| CASH FLOWS FROM FINANCING ACTIVITIES | |
| Net proceeds from issue of shares | 100.0 |
| Transaction costs related to the issue of shares | (2.6) |
| Dividends paid | (14.0) |
| Repayments of lease liabilities | (1.6) |
| Net cash provided by financing activities | 81.8 |
| Net increase in cash held | 119.3 |
| Cash and cash equivalents at beginning of financial year | 27.5 |
| Cash and cash equivalents at end of financial year | 146.7 |

The Business delivered cash flow from operating activities of \$45.6 million in FY20, demonstrating strong cash generation across the Company's portfolio of businesses.

Outlook

| Portfolio Business | Partner | Launch date | Market size | Achieved greater than 1% market share? |
|-------------------------|-------------------------------------|-----------------|---|--|
| Kogan Retail | n/a | FY06 | \$29.4 billion ¹ | ✓ |
| Kogan Marketplace | n/a | Launched FY19 | \$29.4 billion ¹ | - |
| Kogan Internet | Vodafone | Launched 4QFY18 | 11.6 million premises ² | - |
| Kogan Insurance | Hollard | Launched 1QFY18 | \$51.0 billion ³ | - |
| Kogan Health | Medibank | Launched 3QFY18 | \$25.4 billion ⁴ | - |
| Kogan Life | Greenstone | Launched 4QFY18 | \$46.5 billion ⁵ | - |
| Kogan Pet | PetSure | Launched 4QFY18 | \$490 million ⁶ | - |
| Kogan Mobile | Vodafone | Launched 2QFY16 | 32.89 million mobile phone connections ⁷ | ✓ |
| Kogan Mobile NZ | Vodafone | Launched 1HFY20 | 3.8 million users ⁸ | - |
| Kogan Money Home Loans | Pepper & Adelaide Bank | Launched 2QFY19 | \$85.6 billion ⁹ | - |
| Kogan Money Super | Mercer | Launched 1HFY20 | 15.6 million account holders ¹⁰ | - |
| Kogan Money Credit Card | Citi | Launched 1HFY20 | 16.0 million cards ¹¹ | - |
| Kogan Cars | Firstmac | Launched 4QFY19 | 1.1 million cars ¹² | - |
| Kogan Energy | Powershop (part of Meridian Energy) | Launched 1HFY20 | \$40.8 billion ¹³ | - |

1. Source: <https://www.ibisworld.com.au/industry-trends/market-research-reports/thematic-reports/online-shopping.html>
 2. Number of households connected or ready to connect to the NBN at Jun 2019. Source: <https://www2.nbnco.com.au/content/dam/nbnco2/2020/documents/how-we-are-tracking/nbn-may-2020-monthly-progress-report.pdf>
 3. Source: https://www.apra.gov.au/sites/default/files/2020-05/Quarterly%20general%20insurance%20performance%20statistics%20highlights%20March%202020_0.pdf
 4. Source: <https://www.ibisworld.com.au/market-size/health-insurance/>
 5. Source: <https://www.ibisworld.com.au/industry/life-insurance/522/>
 6. Source: Canstar - www.canstar.com.au/pet-insurance/how-much-do-we-spend-on-our-pets/
 7. Source: <https://www.statista.com/statistics/680482/australia-number-of-mobile-subscriptions/>
 8. Source: http://archive.stats.govt.nz/browse_for_stats/industry_sectors/information_technology_and_communications/isp-2017-mobile-connections-story.aspx
 9. Source: <https://www.ibisworld.com.au/industry/mortgages/1909/>
 10. Source: <https://www.ato.gov.au/About-ATO/Research-and-statistics/In-detail/Super-statistics/Super-accounts-data/Multiple-super-accounts-data/>
 11. Source: <https://qsuper.qld.gov.au/news-hub/articles/2018/03/13/04/46/credit-cards-the-stats>
 12. Source: <https://www.caradvice.com.au/817278/vfacts-2019-new-car-sales-results/>
 13. Source: <https://www.ibisworld.com.au/industry/electricity-retailing/2147/>

We expect that FY21 will see further growth in Exclusive Brands, the scaling up of Kogan Marketplace and New Verticals, and further growth in the Active Customer base.



Consistent with prior years, the Company will not be providing formal Adjusted EBITDA¹ guidance for FY21. However, the Company will provide regular business updates during the year.

July 2020 unaudited management accounts show:

- Gross Sales² growth of more than 110% YoY
- Gross Profit growth of more than 160% YoY
- Adjusted EBITDA¹ of more than \$10.0 million

IN FY21, WE EXPECT:

- Growth of Active Customer base
- Growth in Exclusive Brands and Third-Party Brands
- Growth in Kogan Marketplace, and launch in New Zealand
- Growth across New Verticals
- Growth by acquisition

1. Adjusted EBITDA is a measure of the underlying performance of the Business, it removes non-cash items including the unrealised FX gain/ (loss), equity-based compensation and one-off non-recurring items.
2. The Company believes Gross Sales is a key metric of the Business, given that gross transaction values of Kogan Marketplace, Kogan Mobile, and other New Verticals are not reflected in Revenue.

DIVIDEND

The Board has declared a fully franked final Dividend of 13.5 cents per share, which reflects total Dividends of 21.0 cents per share in respect of FY20. The Dividend Reinvestment Plan will apply to the final Dividend at a 2.5% discount to the 5-day volume weighted average price of shares sold on ASX from the trading day prior to the record date.

| | DPS (cents) | Franking (%) | Record date | Election date¹ | Payment date |
|----------------------------|--------------------|---------------------|--------------------|----------------------------------|---------------------|
| Dividend per share (cents) | 13.5 | 100.0 | 24 August 2020 | 25 August 2020 | 19 October 2020 |

1. The date by which an eligible Shareholder must have notified Kogan.com Ltd that it will participate in the DRP.

1HFYxx: the six months ended 31 December 20xx.

2HFYxx: the six months ended 30 June 20xx.

1QFYxx: the three months ended 30 September 20xx.

2QFYxx: the three months ended 31 December 20xx.

3QFYxx: the three months ended 31 March 20xx.

4QFYxx: the three months ended 30 June 20xx.

Active Customers: unique customers who have purchased in the last twelve months from 1 July 2020, rounded to the nearest thousand.

Adjusted EBITDA: earnings before interest, tax, depreciation, amortisation, unrealised FX gain/(loss), equity-based compensation and one-off non-recurring items.

Contribution Margin: Gross Profit less variable costs divided by Revenue.

Core Website Channels: Kogan.com, Kogan Apps (iPhone and Android), Dick Smith and Matt Blatt Assets.

EBIT: earnings before interest and tax.

EBITDA: earnings before interest, tax, depreciation and amortisation.

EBITDA Margin: EBITDA divided by Revenue.

Exclusive Brands: products sold under brands owned by Kogan.com.

First Orders: refer to orders placed during the period by Active Customers who had not previously transacted with the Business.

Funds Under Management (FUM): represents the market value of the financial assets managed under Kogan Super.

FYxx: financial year ended 30 June 20xx.

Gross Margin: Gross Profit divided by Revenue.

Gross Profit: Revenue less cost of goods sold.

Gross Sales: is the gross transaction value, on a cash basis, of products and services sold, of Kogan Retail, Kogan Marketplace and the New Verticals.

Kogan Cars: New Vertical launched in 4QFY19 offering competitive prices on new-car purchases.

Kogan Energy: New Vertical launched in 1HFY20 offering low cost power and gas whilst allowing customers to easily track their energy usage on-demand, in partnership with Powershop (part of Meridian Energy).

Kogan First: our loyalty program offering members free/upgraded express shipping along with special offers across thousands of our products.

Kogan Health: New Vertical launched in 3QFY18 offering health insurance online.

Kogan Insurance: New Vertical launched in 1QFY18 offering Insurance online.

Kogan Internet: New Vertical launched in 4QFY18 offering NBN plans via Vodafone's fixed line NBN network.

Kogan Life: New Vertical launched in 4QFY18 offering life insurance online.

Kogan Marketplace: a platform launched in 3QFY19 for sellers and buyers to complete transactions on Kogan.com, with commission-based Revenue being earned by Kogan.com.

Kogan Mobile Australia: launched in 2QFY16, vertical offering pre-paid mobile phone plans available online using Vodafone's mobile network in Australia.

Kogan Mobile New Zealand: New Vertical launched in 1HFY20 offering pre-paid mobile phone plans available online using Vodafone's mobile network in New Zealand.

Kogan Money Credit Cards: New Vertical launched in 1HFY20 offering a competitively priced credit card with compelling loyalty incentives for consumers to shop on Kogan.com and elsewhere, in partnership with Citi.

Kogan Money Home Loans: New Vertical launched in 2QFY19 offering competitive home loan products, in partnership with Adelaide Bank and Pepper Group.

Kogan Money Super: New Vertical launched in 1HFY20 offering a new no frills, ultra low fee Australian super fund, in partnership with Mercer.

Kogan Pet: vertical launched in 4QFY18 offering pet insurance online.

Kogan Retail: Exclusive Brands and Third-Party Brands sales through the Core Website Channels and eBay, Amazon.com.au, TradeMe and other platforms.

Kogan Travel: vertical offering online holiday packages and hotel and cruise bookings.

LTM: last twelve months.

New Customer Repeat Orders: refers to the percentage of customers who place a Repeat Order within 1 month of their First Order.

New Verticals: Kogan Cars, Kogan Credit Cards, Kogan Energy, Kogan Health, Kogan Insurance, Kogan Internet, Kogan Life, Kogan Marketplace, Kogan Mobile Australia, Kogan Mobile New Zealand, Kogan Money, Kogan Pet, Kogan Super and Kogan Travel.

Operating Leverage: the efficiency by which a business converts its Revenue into Net Profit.

Partners: refers to the companies Kogan.com has conducted business with.

Product Division: means Exclusive Brands and Third-Party Brands.

QoQ: quarter-on-quarter.

Repeat Orders: refer to orders placed during the period by Active Customers who had previously transacted with the Business at the time of their order.

ROI: return on investment.

The Business: refers to Kogan.com Ltd.

The Company: refers to Kogan.com Ltd.

The Presentation: refers to this document, titled 'Kogan.com - FY20 Results Presentation'.

Third-Party Brands: products sold under brands owned by third parties, which are sourced domestically in Australia and internationally.

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.

YoY: year-on-year.

ANNEXURE 1

FY20 REVENUE GROWTH BY PORTFOLIO BUSINESS

Revenue growth was driven by Exclusive Brands and Kogan Marketplace.

| \$m | FY19 Revenue | FY20 Revenue | YoY Revenue growth % |
|--------------------|-------------------------|-------------------------|-----------------------------|
| Exclusive Brands | 184.1 | 232.7 | 26.4% |
| Third-Party Brands | 233.2 | 228.6 | (2.0%) |
| Kogan Marketplace | 1.5 | 13.0 | 768.4% |
| Product Divisions | 418.8 | 474.3 | 13.2% |
| Kogan Travel | 0.8 | 0.5 | (34.1%) |
| Kogan Insurance | 0.6 | 0.8 | 36.0% |
| Kogan Internet | 0.4 | 1.0 | 144.9% |
| Kogan Mobile | 13.2 | 12.8 | (2.9%) |
| Kogan Money | 0.0 | 0.2 | >1,000% |
| Kogan First | 0.0 | 2.4 | >1,000% |
| Total | 433.9 | 492.0 | 13.4% |
| Advertising | 2.4 | 3.7 | 53.2% |
| Other Income | 2.4 | 2.2 | (9.1%) |
| Total | 438.7 | 497.9 | 13.5% |