

## Appendix 4D

### Appendix 4D - Kogan.com Ltd

ABN 96 612 447 293

#### Results for announcement to the market

Half-Year Ended 31 December 2024

(Previous corresponding period: Half-year ended 31 December 2023)

|  | Half-year ended 31<br>December 2024<br>\$'000 | Half-year ended 31<br>December 2023<br>\$'000 | Change increase/<br>(decrease) \$'000 | Change increase/<br>(decrease) % |
|--|---|---|---------------------------------------|----------------------------------|
| Revenues from ordinary activities        | 272,727                                       | 248,218                                       | 24,509                                | 9.9%                             |
| Profit before tax                        | 15,780  | 12,363  | 3,417                                 | 27.6%                            |
| Profit after tax attributable to members | 10,332  | 8,680   | 1,652                                 | 19.0%                            |

#### Abbreviated explanation of results

The Kogan Group ("Group") results were underpinned by the strong performance of Kogan.com, while Mighty Ape faced challenges during the half.

Kogan.com's revenue from ordinary activities grew 22.3% on the prior corresponding period (PCP) to \$198.9 million for the six months ended 31 December 2024, reflecting strong growth across all operating divisions. This was partially offset by a 13.7% reduction in Mighty Ape's revenue from ordinary activities to \$73.9 million, impacted by technical issues following the upgrade of its website in late October 2024. The website upgrade introduced a suite of improvements and supporting the launch of the Mighty Ape Marketplace and enhancements to the Mighty Ape PRIMATE loyalty program, all of which are expected to deliver long-term benefits and growth. The technical issues have been progressively resolved.

The Group's Gross Margin increased to 38.9%, driving Gross Profit to \$106.0 million for the half, an 18.3% increase on the PCP. Kogan.com delivered strong Gross Profit growth of 27.8%, while Mighty Ape declined by 9.8%, reflecting the challenges outlined above.

Operating costs of the Group increased in line with Gross Profit growth, reflecting the successful strategic investment in Kogan.com marketing that has grown market share, resulting in Kogan.com Active Customer growth of 15.7% YoY, and growth in Group Active Customers of 9.4% YoY to over 3 million (at 3,002,000) as at 31 December 2024. All other operating costs collectively remained relatively consistent compared to the PCP.

The Group recorded a statutory profit after tax of \$10.3 million in the six-months ended 31 December 2024, which included the following material items:

- Non-cash Equity-based Compensation expense of \$1.1 million (1HFY24: \$2.1 million); and
- Non-cash depreciation and amortisation of tangible and intangible assets (Brand, software and right-of-use assets) that were acquired as part of the Mighty Ape acquisition in December 2020 of \$1.7 million (1HFY24: \$1.7 million).

These items are not considered by the Company to be representative of the underlying performance of the Business, and as such, consider the Adjusted Profit After Tax<sup>1</sup> of \$12.3 million (1HFY24: \$11.4 million) a useful metric of underlying performance.

Refer to the accompanying market release and the 1HFY25 Results Presentation dated 24 February 2025 for further commentary and a full reconciliation of Adjusted items.

1. Kogan.com believes that non-IFRS measures referred to in this document may provide useful information to recipients for measuring the underlying operating performance of the Business. Non-IFRS measures are not subject to audit.

## Appendix 4D (CONTINUED)

The Group generated \$47.1 million of operating cash flows, to complete the half with \$67.7 million of cash and no debt. The period also included the payment of the FY24 Final Dividend payment of \$6.6 million and continuation of the Share Buy-Back program with \$7.2 million invested in the repurchase and cancellation of shares. Inventories were maintained at appropriate levels, with \$71.8 million of inventory in-warehouse and \$12.2 million of inventory in-transit, totalling \$84.0 million.

|  | 31 December 2024 | 31 December 2023 |
|--|------------------|------------------|
| Net tangible assets backing per Ordinary Share | \$0.35           | \$0.74           |

### Dividends

|                         | Amount per Ordinary Share (cents) | Franked Amount per Share at 30% of tax (cents) |
|-------------------------|-----------------------------------|--|
| <b>Ordinary shares:</b> |                                   |  |
| 2024 Interim Dividend   | 7.5                               | 7.5  |
| 2024 Final Dividend     | 7.5                               | 7.5  |
| 2025 Interim Dividend   | 7.0                               | 7.0  |

### Current period

The Board has declared a fully franked Interim Dividend of 7.0 cents per Ordinary Share, with the Board balancing capital management with the intended resumption of the Share buy-back program. The 2025 Interim Dividend was declared subsequent to the balance date.

The record date for determining the entitlement of receipt of the Interim Dividend is 14 March 2025 and the Company expects to pay the Interim Dividend on 30 April 2025. The Interim Dividend has not been accrued for as at 31 December 2024.

### Dividend reinvestment plan

A dividend reinvestment plan will be available for the FY25 Interim Dividend at a 2.5% discount to the 5-day volume weighted average price of shares sold on the ASX from the trading day prior to the record date.

### Foreign entities

The results of Kogan HK Limited, a Hong Kong registered entity, and Mighty Ape Limited, a New Zealand registered entity, have been compiled using International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board.

### Other information required by listing rule 4.24A

Other information requiring disclosure to comply with Listing Rule 4.2A is contained in the 31 December 2024 Financial Report.

Signed on behalf of Kogan.com Ltd, on 24 February 2025.



**Greg Ridder**  
Non-Executive Chairman

# Half-Year Report 2024/25.



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# Directors' Report

The Directors of Kogan.com Ltd (Kogan.com) and its controlled entities ("the Group") present their report together with the consolidated interim financial report of the Group for the half-year ended 31 December 2024 and the review report thereon.

## Directors

The following persons were Directors of the Group at any time during the half-year and up to the date of signing this report.

**Greg Ridder** – Independent, Non-Executive Chairman

**Ruslan Kogan** – Founder, Chief Executive Officer and Executive Director

**David Shafer** – Chief Financial Officer, Chief Operating Officer and Executive Director

**Harry Debney** – Independent, Non-Executive Director

**Janine Allis** – Independent, Non-Executive Director

**James Spenceley** – Independent, Non-Executive Director

## Principle activities

The Kogan Group ("Group") is a portfolio of retail and service businesses that includes Kogan Retail, Kogan Marketplace, Verticals, Dick Smith, Matt Blatt, Mighty Ape and Brosa.

Kogan Group earns the majority of its Revenue and profit through the sale of goods and services to Australian and New Zealand consumers. Its offering comprises products released under Kogan.com's Exclusive Brands, such as Kogan, Ovela, Fortis, Certa and Komodo ("Exclusive Brands Products"), and products sourced from imported and domestic Third-Party Brands such as Apple, Canon, Swann and Samsung ("Third-Party Brands Products").

In addition to product offerings, Kogan Group earns Revenue from:

- Premium membership service Kogan FIRST and Mighty Ape PRIMATE, and
- Platform-based Sales, which include seller fees from Marketplace, commission-based Revenue from Kogan Mobile, Kogan Internet, Kogan Insurance, Kogan Money, Kogan Energy, Kogan Travel and Mighty Mobile ("Verticals") and advertising fees from Advertising Platform.

The results of Kogan HK Limited, a Hong Kong registered entity, and Mighty Ape Limited, a New Zealand registered entity, have been compiled using International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board.

No significant change in the nature of activities occurred during the half-year.

## Review of operations

### TRADING PERFORMANCE

The Kogan Group achieved strong financial growth in the six months ended 31 December 2024, with Gross Sales<sup>2</sup> of \$492.5 million and Revenue of \$272.7 million growing 10.3% and 9.9%, respectively. This growth was driven by Kogan.com, with all of its operating divisions contributing to top line growth.

Mighty Ape's performance in the half was impacted by technical challenges following its website upgrade in late October 2024. However this upgrade supported the introduction of the Mighty Ape Marketplace, enhancements to the Mighty Ape PRIMATE loyalty program, and other key improvements, positioning Mighty Ape for long-term growth.

As a result of continued strong Gross Sales contribution of Kogan.com Platform-based Sales<sup>3</sup> (1HFY25: 63.8%) and increased profitability of Kogan Products, Group Gross Profit grew to \$106.0 million for the half. This represents 18.3% growth on the prior corresponding period (PCP), with Gross Margin expanding to 38.9%, up 2.8pp.

2. Gross Sales: is the gross transactional value, on a cash basis, of products and services sold, of Kogan Retail, Mighty Ape, Marketplaces, Kogan FIRST, Mighty Ape PRIMATE, Verticals, Advertising Income and the commission of Kogan Money (due to limitations of Kogan Money Gross Sales reporting).

3. Refers to sales generated by Kogan Marketplace, Kogan FIRST, Kogan Verticals and Advertising & Other Income. It excludes Exclusive Brands, Third-Party Brands and Mighty Ape.

## Directors' Report (CONTINUED)

The Group's operating costs increased strategically, reflecting a deliberate investment in Kogan.com marketing to drive Gross Sales, Revenue and customer growth while increasing market share in a rapidly evolving retail market. Pleasingly, Kogan.com Active Customers increased 15.7% YoY and drove Group Active Customers to over 3 million as at 31 December 2024.

The Group's Adjusted EBITDA<sup>4,5</sup> of \$25.3 million and Adjusted EBIT<sup>4,5</sup> of \$19.0 million demonstrate strong operating leverage, with growth of 17.5% and 21.2%, respectively. These results translate to strong margins of 9.3% and 7.0%, reinforcing the Group's continued strong bottom line profitability.

The Group recorded a statutory profit after tax of \$10.3 million (1HFY24: \$8.7 million). Material items in the result for the current half included Equity-based Compensation of \$1.1 million (1HFY24: \$2.1 million) and Non-cash depreciation and amortisation of tangible and intangible assets (Brand, software and right-of-use assets) that were acquired as part of the Mighty Ape acquisition in December 2020 of \$1.7 million (1HFY24: \$1.7 million). These two items are considered adjusting items as they are non-cash in nature.

The key drivers of performance in the half-year to 31 December 2024 were:

- **Kogan Products:** This division, which is made up of Exclusive and Third-Party brands, delivered strong growth. Revenue reached \$141.0 million, representing 21.7% growth on the PCP, while Gross Profit increased 37.5% to \$27.8 million for the half. These results reflect improved inventory health and improved product ranging.
- **Kogan Marketplace:** The Kogan Marketplace recorded Gross Sales of \$150.8 million and Revenue of \$14.8 million in 1HFY25, marking a return to strong growth of the platform. Gross Sales increased 16.7% on the PCP, while Revenue grew 20.2%, driven by a refined marketing strategy implemented in late October 2024. The positive impact of this strategic shift is expected to continue supporting growth throughout the remainder of the financial year.
- **Kogan.com Verticals:** The Kogan Verticals recorded a record half of Revenue in 1HFY25, delivering 16.7% growth on the PCP, with Revenue of \$11.3 million. In particular, the division recorded strong performances from Kogan Mobile and Kogan Energy.
- **Loyalty Programs:** The Kogan.com loyalty program continues to deliver for our most loyal customers. During the half Kogan FIRST recorded \$28.2 million of Revenue, growth of 24.2% on the PCP. The period also included significant improvements to the Mighty Ape PRIMATE loyalty program, with early results demonstrating strong growth can be expected in the short and medium-term.
- **Kogan.com Advertising Platform:** The Advertising Platform delivered \$2.1 million of Revenue in the half, representing 36.3% growth on the PCP.
- **Mighty Ape:** The New Zealand subsidiary generated \$73.9 million of Revenue, Gross Profit of \$20.3 million and Adjusted EBITDA of \$1.9 million, in the half. These results represent a half that was significantly impacted by technical issues upon the upgrade of its website in later October 2024. The upgrade has however allowed for the launch of the Mighty Ape Marketplace, enhancement of the Mighty Ape PRIMATE loyalty program and other key improvements that are expected to deliver long-term growth.
- **Inventories:** The Kogan Group inventories totalled \$84.0 million as at 31 December 2024, consisting of \$71.8 million of in-warehouse inventory and \$12.2 million of in-transit inventory. Inventory levels are well aligned to current trading conditions.
- **Cash:** The Group held a cash balance of \$67.7 million as at 31 December 2024 with no external debt. The half included \$7.2 million being invested into the Share Buy-Back program and payment of the FY24 Final Dividend of \$6.6 million (net of the Dividend Reinvestment Plan).
- **Non-cash operating costs:** The period included the following material items:
  - \$1.1 million of equity-based compensation; and
  - \$1.7 million of non-cash depreciation and amortisation of tangible and intangible assets (Brand, software and right-of-use assets) that were acquired as part of the Mighty Ape acquisition in December 2020.

4. Kogan.com believes that non-IFRS measures referred to in this document may provide useful information to recipients for measuring the underlying operating performance of the Business. Non-IFRS measures are not subject to audit.

5. Refer to the Results Presentation announcement dated 24 February 2025 for a reconciliation between Statutory Net Profit Before Tax, Adjusted EBITDA and Adjusted EBIT.

## Directors' Report (CONTINUED)

The effective tax rate in the 1HFY25 was 35% (1HFY24: 30%). The effective tax rate was impacted by the deductible value of vested Share Based Payments during the half as compared to the accounting value expensed.

### Outlook

We enter the second half of FY25 with confidence, anticipating continued top-line growth driven by strong performance at Kogan.com and a recovery in Mighty Ape's performance. The successful strategic investment in Kogan.com marketing will continue, supporting further market share expansion and long-term growth. Additionally, the Company remains focused on delivering strong profitability, leveraging operational efficiencies and improved cost structures.

Key items from the January 2025 unaudited management accounts are provided below. The Company will present Kogan.com and Mighty Ape results individually during the period of Mighty Ape's recovery.

- Group Gross Sales of \$80.4 million (+24.9% YoY)
  - Kogan.com Gross Sales of \$70.8 million (+30.8% YoY)
  - Mighty Ape Gross Sales of \$9.6 million (-6.6% YoY)
- Group Adjusted EBITDA of \$3.0 million (-38.1% YoY)
  - Kogan.com Adjusted EBITDA of \$3.6 million (-13.2% YoY) reflected an Adjusted EBITDA Margin of 11.4%, and included the continuation of increased marketing investment to drive growth and capture market share. Along with the growth in the top line noted above, the investment contributed to a 24.2% increase in Kogan.com Active Customers YoY, reinforcing the strategy.
  - Mighty Ape Adjusted EBITDA of -\$0.6 million (-182.8% YoY)

## Directors' Report (CONTINUED)

### Subsequent events

Other than the declaration of an interim dividend (see below), no matters or circumstances have occurred subsequent to period end that have significantly affected, or may significantly affect, the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

### Interim Dividend

Reflecting a profitable financial performance in the half, the Board has declared a fully franked interim dividend of 7.0 cents per Ordinary Share. In addition, the Board intends to resume the Share buy-back program. The Interim Dividend was not determined until after the balance sheet date and accordingly no provision has been recognised as at 31 December 2024.

### Rounding

Kogan.com is a company of the kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and in accordance with that instrument, amounts in the Directors' Report and the Financial Report are rounded to the nearest thousand dollars except where otherwise indicated.

### Lead auditor's independent declaration

The lead auditor's independence declaration for the half-year ended 31 December 2024 can be found on page 6 of the financial report and forms part of the Directors' Report.

Signed in accordance with a resolution of the Directors.



**Greg Ridder**

Non-Executive Chairman

Melbourne, 24 February 2025

## Directors' Report (CONTINUED)

### Non IFRS Measures

Throughout this report, Kogan.com has included certain non-IFRS financial information, including EBITDA, Adjusted EBITDA and Gross Sales. Kogan.com believes that these non-IFRS 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, or review.

The table below provides details of the Non-IFRS measures used in this report.

|                        |  |
|------------------------|--|
| <b>EBITDA</b>          | Earnings before interest, tax, depreciation and amortisation   |
| <b>Adjusted EBITDA</b> | Earnings before interest, tax, depreciation, amortisation and excludes unrealised FX gain/(loss), equity-based compensation and one-off non-recurring items            |
| <b>Adjusted EBIT</b>   | Earnings before interest and tax and excludes unrealised FX gain/(loss), equity-based compensation and one-off non recurring items                                     |
| <b>Adjusted NPAT</b>   | Net profit after tax and before unrealised FX gain/(loss), equity-based compensation and one-off non-recurring items.  |
| <b>Gross Sales</b>     | The gross transaction value, on a cash basis, of products and services sold, of Kogan Retail, Mighty Ape Retail, Kogan Marketplace, Kogan Verticals and Mighty Mobile. |

A detailed reconciliation of these Non-IFRS measures can be found in Appendix 2 of the 1HFY25 Results Presentation released on 24 Feb 2025, available on the Kogan.com Corporate Website.

## Auditor's Independence Declaration



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### Auditor's independence declaration to the directors of Kogan.com Ltd

As lead auditor for the review of the half-year financial report of Kogan.com Ltd for the half-year ended 31 December 2024, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;
- b. No contraventions of any applicable code of professional conduct in relation to the review; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

This declaration is in respect of Kogan.com Ltd and the entities it controlled during the financial period.

A stylized, handwritten signature of 'Ernst &amp; Young' in black ink.

Ernst & Young

A stylized, handwritten signature of 'Tony Morse' in black ink.

Tony Morse  
Partner  
24 February 2025

# Interim Financial Statements

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# Condensed Consolidated Income Statement and Consolidated Statement of Other Comprehensive Income

For the Half-Year Ended 31 December 2024

| CONSOLIDATED GROUP   |      |                  |                  |
|--|------|------------------|------------------|
|  |      | 31 December 2024 | 31 December 2023 |
|  | Note | \$'000           | \$'000           |
| Revenue  | 1.1  | 272,727          | 248,218          |
| Cost of sales  | 1.2  | (166,770)        | (158,682)        |
| <b>Gross profit</b>  |      | <b>105,957</b>   | <b>89,536</b>    |
| Selling and distribution expenses                                    |      | (43,711)         | (31,430)         |
| Warehouse expenses   |      | (4,525)          | (4,649)          |
| Administrative expenses  |      | (40,520)         | (40,939)         |
| Other expenses   |      | (930)            | (827)            |
| <b>Results from operating activities</b>                             |      | <b>16,271</b>    | <b>11,691</b>    |
| Finance income   |      | 634              | 983              |
| Finance costs  |      | (1,144)          | (202)            |
| Unrealised foreign exchange gain/(loss)                              |      | 19               | (109)            |
| <b>Net finance (loss)/gain</b>                                       |      | <b>(491)</b>     | <b>672</b>       |
| <b>Profit before income tax</b>                                      |      | <b>15,780</b>    | <b>12,363</b>    |
| Tax (expense)  | 1.3  | (5,448)          | (3,683)          |
| <b>Profit after income tax</b>                                       |      | <b>10,332</b>    | <b>8,680</b>     |
| <b>Other comprehensive income</b>                                    |      |                  |                  |
| <b>Items that may be reclassified subsequently to profit or loss</b> |      |                  |                  |
| Exchange (loss)/gain on translation of foreign operations            |      | (272)            | 290              |
| <b>Other comprehensive (loss)/income for the half-year</b>           |      | <b>(272)</b>     | <b>290</b>       |
| <b>Total comprehensive profit for the half-year</b>                  |      | <b>10,060</b>    | <b>8,970</b>     |
| <b>Basic earnings per share</b>                                      | 3.4  | 0.10             | 0.08             |
| <b>Diluted earnings per share</b>                                    | 3.4  | 0.10             | 0.08             |

The accompanying notes form part of these condensed consolidated financial statements.



# Condensed Consolidated Statement of Financial Position

As at 31 December 2024

| CONSOLIDATED GROUP                   |        |                  |                |
|--------------------------------------|--------|------------------|----------------|
|                                      |        | 31 December 2024 | 30 June 2024   |
|                                      | Note   | \$'000           | \$'000         |
| <b>Assets</b>                        |        |                  |                |
| <b>Current assets</b>                |        |                  |                |
| Cash and cash equivalents            |        | 67,662           | 41,183         |
| Trade and other receivables          |        | 11,038           | 6,770          |
| Inventories                          |        | 83,956           | 73,391         |
| Other financial assets               |        | 173              | 152            |
| Prepayments and other current assets |        | 3,688            | 3,467          |
| Current tax assets                   |        | 425              | 217            |
| <b>Total current assets</b>          |        | <b>166,942</b>   | <b>125,180</b> |
| <b>Non-current assets</b>            |        |                  |                |
| Plant and equipment                  |        | 21,614           | 24,693         |
| Intangible assets                    | 2      | 83,293           | 84,243         |
| Deferred tax assets                  |        | 6,301            | 9,314          |
| <b>Total non-current assets</b>      |        | <b>111,208</b>   | <b>118,250</b> |
| <b>Total assets</b>                  |        | <b>278,150</b>   | <b>243,430</b> |
| <b>Liabilities</b>                   |        |                  |                |
| <b>Current Liabilities</b>           |        |                  |                |
| Trade and other payables             |        | 109,189          | 72,886         |
| Lease liabilities                    |        | 7,883            | 7,553          |
| Current tax liabilities              |        | 1,302            | 1,353          |
| Employee benefits                    |        | 1,884            | 1,958          |
| Provisions and other liabilities     |        | 6,302            | 3,012          |
| Deferred income                      |        | 20,740           | 17,167         |
| <b>Total current liabilities</b>     |        | <b>147,300</b>   | <b>103,929</b> |
| <b>Non-current liabilities</b>       |        |                  |                |
| Lease liabilities                    |        | 12,234           | 15,482         |
| Employees benefits                   |        | 390              | 416            |
| <b>Total non-current liabilities</b> |        | <b>12,624</b>    | <b>15,898</b>  |
| <b>Total liabilities</b>             |        | <b>159,924</b>   | <b>119,827</b> |
| <b>Net assets</b>                    |        | <b>118,226</b>   | <b>123,603</b> |
| <b>Equity</b>                        |        |                  |                |
| Share capital                        | 3.3.1a | 267,221          | 270,012        |
| Merger reserve                       | 3.3.1c | (131,816)        | (131,816)      |
| Other reserves                       |        | 53,210           | 55,776         |
| Accumulated losses                   |        | (80,721)         | (70,369)       |
| Profit reserve <sup>6</sup>          |        | 10,332           | -              |
| <b>Total equity</b>                  |        | <b>118,226</b>   | <b>123,603</b> |

The accompanying notes form part of these condensed consolidated financial statements.

6. A profit reserve has been created as at 31 December 2024 following a declaration of a FY25 Interim Dividend.

# Condensed Consolidated Statement of Changes in Equity

For the Half-Year Ended 31 December 2024

| CONSOLIDATED GROUP   |        |               |                                 |                |                     |                              |                     |
|--|--------|---------------|---------------------------------|----------------|---------------------|------------------------------|---------------------|
|  | Note   | Share Capital | Accumulated losses <sup>7</sup> | Merger reserve | Translation reserve | Share based payments reserve | Total Equity \$'000 |
| Balance at 1 July 2023   |        | 291,014       | (62,911)                        | (131,816)      | (377)               | 71,808                       | 167,718             |
| Comprehensive income   |        |               |                                 |                |                     |                              |                     |
| Profit for the half-year   |        | -             | 8,680                           | -              | -                   | -                            | 8,680               |
| Other comprehensive income   |        | -             | -                               | -              | 290                 | -                            | 290                 |
| Total comprehensive (loss)/ income for the half-year                       |        | -             | 8,680                           | -              | 290                 | -                            | 8,970               |
| Transactions with owners, in their capacity as owners, and other transfers |        |               |                                 |                |                     |                              |                     |
| Issue of Ordinary Shares under performance plans, net of issue costs       | 3.3.1b | 1,435         | -                               | -              | -                   | (1,435)                      | -                   |
| On-market share buy-back   | 3.3.1b | (17,722)      | -                               | -              | -                   | -                            | (17,722)            |
| Equity-settled share-based payments  | 5.1    | -             | -                               | -              | -                   | 2,057                        | 2,057               |
| Total transactions with owners and other transfers                         |        | (16,287)      | -                               | -              | -                   | 622                          | (15,665)            |
| Balance at 31 December 2023  |        | 274,727       | (54,231)                        | (131,816)      | (87)                | 72,430                       | 161,023             |
| Balance at 1 July 2024   |        | 270,012       | (70,369)                        | (131,816)      | (558)               | 56,334                       | 123,603             |
| Comprehensive income   |        |               |                                 |                |                     |                              |                     |
| Profit for the half-year   |        | -             | 10,332                          | -              | -                   | -                            | 10,332              |
| Other <sup>8</sup>   |        |               | (2,772)                         |                |                     |                              | (2,772)             |
| Other comprehensive income   |        | -             | -                               | -              | (272)               | -                            | (272)               |
| Total comprehensive (loss)/ income for the half-year                       |        | -             | 7,560                           | -              | (272)               | -                            | 7,288               |
| Transactions with owners, in their capacity as owners, and other transfers |        |               |                                 |                |                     |                              |                     |
| Issue of Ordinary Shares under performance plans, net of issue costs       | 3.3.1b | 3,320         | -                               | -              | -                   | (3,320)                      | -                   |
| On-market share buy-back   | 3.3.1b | (7,120)       | -                               | -              | -                   | -                            | (7,120)             |
| Dividend reinvestment plan   |        | 1,009         | (1,009)                         | -              | -                   | -                            | -                   |
| Dividends paid   | 3.3.2  | -             | (6,571)                         | -              | -                   | -                            | (6,571)             |
| Equity-settled share-based payments  | 5.1    | -             | -                               | -              | -                   | 1,026                        | 1,026               |
| Total transactions with owners and other transfers                         |        | (2,791)       | (7,580)                         | -              | -                   | (2,294)                      | (12,665)            |
| Balance at 31 December 2024  |        | 267,221       | (70,389)                        | (131,816)      | (830)               | 54,040                       | 118,226             |

The accompanying notes form part of these condensed consolidated financial statements.

7. Accumulated losses include the newly created Profit reserve seen on the Condensed Consolidated Statement of Financial Position

8. Relates to the transition from AASB 15 Revenue to AASB 9 Finance Instruments in regards to Loyalty Points and Gift Cards.

# Condensed Consolidated Statement of Cash Flows

For the Half-Year Ended 31 December 2024

| CONSOLIDATED GROUP                                     |      |                  |                  |
|--|------|------------------|------------------|
|  |      | 31 December 2024 | 31 December 2023 |
|  | Note | \$'000           | \$'000           |
| <b>Cash flows from operating activities</b>            |      |                  |                  |
| Receipts from customers                                |      | 294,857          | 257,298          |
| Payments to suppliers and employees                    |      | (244,731)        | (204,629)        |
| Interest received                                      |      | 634              | 983              |
| Finance costs paid                                     |      | (911)            | (524)            |
| Income tax paid  |      | (2,703)          | (1,132)          |
| <b>Net cash provided by operating activities</b>       |      | <b>47,145</b>    | <b>51,996</b>    |
| <b>Cash flows from investing activities</b>            |      |                  |                  |
| Purchase of property, plant and equipment              |      | (312)            | (1,488)          |
| Payment for intangible assets                          | 2.1  | (2,766)          | (1,556)          |
| Purchase of Financial Assets                           |      | (50)             | -                |
| Business Acquisition net of acquired cash <sup>9</sup> |      | -                | (10,943)         |
| <b>Net cash (used in) investing activities</b>         |      | <b>(3,128)</b>   | <b>(13,987)</b>  |
| <b>Cash flows from financial activities</b>            |      |                  |                  |
| Dividends paid net of dividend reinvestment plan       |      | (6,571)          | -                |
| Repayment of loans & borrowings                        |      | (15,000)         | -                |
| Draw down on debt facility                             |      | 15,000           | -                |
| Repayment of lease liabilities                         |      | (3,713)          | (3,055)          |
| Payments for shares bought back                        |      | (7,170)          | (17,222)         |
| <b>Net cash (used in) financing activities</b>         |      | <b>(17,454)</b>  | <b>(20,277)</b>  |
| Net increase in cash held                              |      | 26,561           | 17,732           |
| Cash and cash equivalents at beginning of half-year    |      | 41,183           | 65,438           |
| Effects of exchange rate changes on cash               |      | (84)             | 143              |
| <b>Cash and cash equivalents at end of half-year</b>   |      | <b>67,662</b>    | <b>83,313</b>    |

The accompanying notes form part of these condensed consolidated financial statements.

9. Relates to the payment of Mighty Ape Tranche 4.

# Notes to the Condensed Consolidated Financial Statements

## For the Half-Year Ended 31 December 2024

### BASIS OF PREPARATION

The financial report of Kogan.com Ltd and its controlled entities (the Group; Kogan.com) for the half-year ended 31 December 2024 was authorised for issue in accordance with a resolution of the Directors on 24 February 2025.

The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards and the nature of its operations and principal activities are described in the Directors' Report on page 1.

These interim General Purpose Financial Statements have been prepared in accordance with the Corporations Act 2001, and with AASB 134 Interim Financial Reporting.

They do not include all of the information required for a complete set of annual financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements of Kogan.com Ltd and its subsidiaries for the year ended 30 June 2024.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Kogan.com is a company of the kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and in accordance with that instrument, amounts in the Directors' Report and the Financial Report are rounded to the nearest thousand dollars except where otherwise indicated.

### Adoption of new or amended accounting standards and future accounting developments

The accounting policies applied in the Interim financial statements are the same as those applied in the Group's consolidated financial statements for the year ended 30 June 2024.

The Group adopted all relevant new and amended accounting standards and interpretations issued by the Australian Accounting Standards Board that are effective for the annual reporting periods beginning as of 30 June 2024. None of these new standards or amendments have a material impact on the interim financial statements of the Group.

The Group has not early adopted any other standards, interpretations or amendments that has been issued but is not yet effective.

The following Standards and Interpretations are issued but not yet effective:

- (i) AASB 2023-5 Amendments to Australian Accounting Standards - Lack of Exchangeability (effective 1 January 2025)
- (ii) AASB 2024-2 Amendments to AASs-Classification and Measurement of Financial Instruments (effective 1 January 2026)
- (iii) AASB 2024-3 Amendments to AASs- Annual Improvements Volume II - Amendments to AASB 1 (effective 1 January 2026)
- (iv) AASB 2024-3 Amendments to AASs- Annual Improvements Volume II - Amendments to AASB 7 (effective 1 January 2026)
- (v) AASB 2024-3 Amendments to AASs- Annual Improvements Volume II - Amendments to AASB 9 (effective 1 January 2026)
- (vi) AASB 2024-3 Amendments to AASs- Annual Improvements Volume II - Amendments to AASB 107 (effective 1 January 2026)
- (vii) AASB 18 Presentation and Disclosure in Financial Statements (effective 1 January 2027)

# Notes to the Condensed Consolidated Financial Statements (CONTINUED)

For the Half-Year Ended 31 December 2024

## A. SEGMENT INFORMATION

### (i) Basis for segmentation

The Group has the following two operating divisions, Kogan.com and Mighty Ape. These operating divisions offer different products and services and are managed separately because they require different product sourcing and marketing strategies.

The Board is identified as the chief operating decision makers, and considers the Group's business primarily from an operating divisions perspective, and receives monthly reports that allow the Board to make strategic decisions about resource allocation to each. On this basis management has identified the operating divisions as the Group's two reporting segments. The Board monitors the performance of these two segments separately. The Group does not operate under any other operating division.

| Reportable Segments | Operations  |
|---------------------|---|
| Kogan.com           | Online retailer selling in-house and third-party brand products, providing premium subscriptions, generating Platform-based revenue including seller fees from marketplace sellers, commission-based earnings from telecommunication, internet, insurance, utilities, and travel as well as advertising fees on Advertising platform. |
| Mighty Ape          | Online specialist retailer of gaming and entertainment products, providing premium subscriptions, as well as producing Platform-based revenue through seller fees from marketplace sellers, and commission-based earnings from telecommunication and travel.  |

### (ii) Segment information provided to the Board

Information related to each reportable segment is set out below. Segment Adjusted EBITDA is used to measure performance as management believes that this information is the most relevant in evaluating the results of the respective segments relative to other entities that operate in the same sectors. This disclosure includes the required disclosure by geography.

| Reportable Segment                       | Kogan.com             |                         | Mighty Ape            |                         | Total          |
|--|-----------------------|-------------------------|-----------------------|-------------------------|----------------|
| 31 December 2024                         | (Australia)<br>\$'000 | (New Zealand)<br>\$'000 | (Australia)<br>\$'000 | (New Zealand)<br>\$'000 | \$'000         |
| <b>Segment revenue</b>                   | <b>176,390</b>        | <b>22,485</b>           | <b>4,124</b>          | <b>69,728</b>           | <b>272,727</b> |
| Adjusted EBITDA                          | 20,712                | 2,640                   | 108                   | 1,819                   | 25,279         |
| EBITDA                                   | 19,769                | 2,520                   | 104                   | 1,758                   | 24,151         |
| Depreciation and amortisation            | (4,999)               | -                       | -                     | (2,942)                 | (7,941)        |
| EBIT                                     | 14,770                | 2,520                   | 104                   | (1,184)                 | 16,210         |
| Interest expense                         | (702)                 | -                       | -                     | (362)                   | (1,064)        |
| Interest income                          | 582                   | -                       | -                     | 52                      | 634            |
| <b>Profit before income tax</b>          | <b>14,650</b>         | <b>2,520</b>            | <b>104</b>            | <b>(1,494)</b>          | <b>15,780</b>  |
| Capital expenditure                      | (2,463)               | -                       | -                     | (615)                   | (3,078)        |
| <b>Other segment information</b>         |                       |                         |                       |                         |                |
| Segment Assets                           | 230,752               | 6,575                   | 197                   | 40,626                  | 278,150        |
| Non-current Segment Assets <sup>10</sup> | 94,830                | -                       | -                     | 10,077                  | 104,907        |
| Segment liabilities                      | (127,774)             | (5,903)                 | (25)                  | (26,222)                | (159,924)      |

10. Non-current segment assets do not include deferred tax assets in accordance with AASB 8 Operating Segments 33(b).

# Notes to the Condensed Consolidated Financial Statements (CONTINUED)

For the Half-Year Ended 31 December 2024

| Reportable Segment                       | Kogan.com             |                         | Mighty Ape            |                         | Total          |
|--|-----------------------|-------------------------|-----------------------|-------------------------|----------------|
| 31 December 2023                         | (Australia)<br>\$'000 | (New Zealand)<br>\$'000 | (Australia)<br>\$'000 | (New Zealand)<br>\$'000 | \$'000         |
| <b>Segment revenue</b>                   | <b>144,842</b>        | <b>17,822</b>           | <b>5,365</b>          | <b>80,189</b>           | <b>248,218</b> |
| Adjusted EBITDA                          | 14,048                | 1,728                   | 360                   | 5,379                   | 21,515         |
| EBITDA                                   | 12,132                | 1,493                   | 359                   | 5,369                   | 19,353         |
| Depreciation and amortisation            | (4,753)               | -                       | -                     | (2,740)                 | (7,493)        |
| EBIT                                     | 7,379                 | 1,493                   | 359                   | 2,629                   | 11,860         |
| Interest expense                         | (242)                 | -                       | -                     | (238)                   | (480)          |
| Interest income                          | 839                   | -                       | -                     | 144                     | 983            |
| <b>Profit before income tax</b>          | <b>7,976</b>          | <b>1,493</b>            | <b>359</b>            | <b>2,535</b>            | <b>12,363</b>  |
| Capital expenditure                      | (2,019)               | -                       | -                     | (1,025)                 | (3,044)        |
| <b>Other segment information</b>         |                       |                         |                       |                         |                |
| Segment Assets                           | 233,169               | 6,911                   | 225                   | 57,989                  | 298,295        |
| Non-current Segment Assets <sup>10</sup> | 94,759                | -                       | -                     | 15,887                  | 110,646        |
| Segment liabilities                      | (95,885)              | (6,113)                 | (38)                  | (35,236)                | (137,272)      |

## B. USES OF JUDGEMENT AND ESTIMATES

In preparing these interim financial statements management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Estimates and judgments that have the most significant effect on the amounts recognised in the interim financial statements are:

- The valuation of Goodwill based on value in use calculations.
- The assessment of the carrying value of non-current assets, including intangible assets, is based on management's assessment of the nature of the capitalised costs and their expected continued contribution of economic benefit to the Group, having regard to actual and forecast performance and profitability.
- The provisions for warranties and sales returns are based on estimates from historical warranty and sales returns data associated with similar products and services. The Group expects to incur most of the liability over the next financial year.
- The provision for slow moving and obsolete inventory is based on estimates of net realisable value.

Key estimates and judgements have not changed from those disclosed in the Group financial report for the year ended 30 June 2024.

10. Non-current segment assets do not include deferred tax assets in accordance with AASB 8 Operating Segments 33(b).

# Notes to the Condensed Financial Statements (CONTINUED)

## Section 1: Business Performance

### 1.1 REVENUE

| CONSOLIDATED GROUP           |                  |                  |
|------------------------------|------------------|------------------|
|                              | 31 December 2024 | 31 December 2023 |
|                              | \$'000           | \$'000           |
| <b>Revenue</b>               |                  |                  |
| Sales revenue:               |                  |                  |
| Sale of goods <sup>11</sup>  | 213,653          | 201,418          |
| Rendering of services        | 26,557           | 22,044           |
| Subscriptions                | 28,965           | 22,673           |
|                              | 269,175          | 246,135          |
| Advertising & Other revenue: |                  |                  |
| Advertising                  | 2,127            | 1,560            |
| Other                        | 1,425            | 523              |
|                              | 3,552            | 2,083            |
| <b>Total revenue</b>         | <b>272,727</b>   | <b>248,218</b>   |

### 1.2 EXPENSES

|  | 31 December 2024 | 31 December 2023 |
|--|------------------|------------------|
|  | \$'000           | \$'000           |
| Costs of sales   | 166,770          | 158,682          |
| Employee benefit expense                                     |                  |                  |
| Share based payments expense                                 | 1,027            | 2,057            |
| Defined contribution superannuation expense                  | 1,095            | 1,038            |
| Other employee benefit expenses including salaries and wages | 22,262           | 35,991           |
|  | 24,384           | 39,086           |
| Depreciation expense   | 4,211            | 3,691            |
| Amortisation expense   | 3,730            | 3,802            |
|  | 7,941            | 7,493            |

### 1.3 TAX BALANCES

Income tax expense is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year applied to the pre-tax profit of the interim reporting period.

The Group's consolidated effective tax rate for the six months ended 31 December 2024 was 35% (for the six months ended 31 December 2023: 30%). The effective tax rate is impacted by the deductible value of vested Share Based Payments during the half year period as compared to the accounting value expensed.

11. Includes associated delivery fee income.

# Notes to the Condensed Financial Statements (CONTINUED)

## Section 2: Operating assets and liabilities

### 2.1 INTANGIBLE ASSETS

The Group acquired a total amount of \$2.8 million of intangible assets during the six months ended 31 December 2024 (\$1.6 million was acquired during the six months ended 31 December 2023).

### 2.2 IMPAIRMENT TESTING

Goodwill arising on the acquisition of Mighty Ape in New Zealand of \$46.3 million, has been allocated to the Mighty Ape Cash Generating Unit ("CGU") based on its expected earnings contribution to the Group arising from the acquisition.

The recoverable amount of the CGU has been determined based on a value-in-use calculation using cash flow projections over a 5-year period based on financial budgets approved by the Group's Board for FY25 together with projected growth in future years. The projected cash flows have been updated to reflect current economic forecasts and business growth opportunities.

The Group performed an impairment test at 31 December 2024 with the following key assumptions:

| In percent   | 1H FY25 | FY24 |
|--|---------|------|
| Discount rate (post-tax)   | 13.2    | 13.9 |
| Terminal growth rate   | 2.5     | 2.0  |
| Revenue growth rate - 5-year compound annual growth rate         | 8.3     | 9.9  |
| Adjusted EBITDA growth rate - 5-year compound annual growth rate | 23.5    | 29.2 |

Expected revenue growth is in line with expected industry growth of eCommerce in New Zealand while Adjusted EBITDA growth is expected to be driven by the impact of the Mighty Ape PRIMATE loyalty program, growth of the new Mighty Ape Marketplace platform and launch of new Verticals in New Zealand over the next 5 years. Adjusted EBITDA growth is expected to outpace Revenue as topline growth is driven by Platform-based Sales with high margin earnings.

The calculation of value-in-use for the CGU is most sensitive to the following assumptions:

- Discount rate: based on Mighty Ape's weighted average cost of capital (WACC). The discount rate is a post-tax measure estimated based on the average rates of return required by providers of debt and equity capital to compensate for the time value of money and perceived risk of uncertainty of the cashflow, weighted in the proportion to the market value of the debt and equity capital provided.
- Revenue and Adjusted EBITDA 5-year compound annual growth rate - reflects Mighty Ape's forecasted operating and financial performance based on past experience, a number of initiatives, improvements from efficiencies and market factors such as forecasted growth in the New Zealand online retail industry.

### Sensitivity Analysis

The estimated fair value of the Mighty Ape CGU exceeded its carrying amount by \$20.4 million (30 June 2024: \$22.7 million). A reasonable possible change to the financial performance, including key assumptions, could lead to an impairment. The following outlines the amount by which the key assumptions would need to change for the estimated recoverable amount to equal the carrying amount.

- The discount rate would be required to increase by 1.9pp, with all other key assumptions remaining constant.
- The 5-year Revenue compound annual growth rate would need to decrease by 4.29pp with a corresponding decrease in COGS and Gross profit. All other key assumptions were held constant.
- The 5-year Adjusted EBITDA compound annual growth rate would need to decrease by 4.33pp, with all other key assumptions remaining unchanged.



# Notes to the Condensed Financial Statements (CONTINUED)

## Section 3: Capital structure and financing

### 3.1 LOANS AND BORROWING

The Group has multiple debt facilities, referring to loans and borrowings in the balance sheet. The tables below set out the various structures of the debt facilities between Kogan.com and Mighty Ape as at balance dates.

| Kogan                      |                              |               |                                |                            |
|----------------------------|------------------------------|---------------|--------------------------------|----------------------------|
| Debt Facility              | Interest rate% <sup>12</sup> | Maturity      | 31 December 2024<br>\$'000 AUD | 30 June 2024<br>\$'000 AUD |
| Trade Finance facility     | BBSY+[1.1% to 1.3%]          | 31 March 2027 | 15,000                         | 15,000                     |
| Cash Advance facility      | BBSY+[1.2% to 1.4%]          | 31 March 2027 | 20,000                         | 20,000                     |
| <b>Total Debt Facility</b> |                              |               | <b>35,000</b>                  | <b>35,000</b>              |

| Mighty Ape                 |                 |          |                                |                            |
|----------------------------|-----------------|----------|--------------------------------|----------------------------|
| Debt Facility              | Interest rate % | Maturity | 31 December 2024<br>\$'000 NZD | 30 June 2024<br>\$'000 NZD |
| Overdraft facility         | 8.38%           | N/A      | 1,500                          | 1,500                      |
| <b>Total Debt Facility</b> |                 |          | <b>1,500</b>                   | <b>1,500</b>               |

No debt facility was drawn upon as at 31 December 2024 (30 June 2024: Nil).

### 3.2 CAPITAL AND FINANCIAL RISK MANAGEMENT

The Group held the following financial assets and liabilities at reporting date:

| CONSOLIDATED GROUP                 |      |                            |                        |
|------------------------------------|------|----------------------------|------------------------|
|                                    | Note | 31 December 2024<br>\$'000 | 30 June 2024<br>\$'000 |
| <b>Financial assets</b>            |      |                            |                        |
| Cash and cash equivalents          |      | 67,662                     | 41,183                 |
| Trade and other receivables        |      | 11,038                     | 6,770                  |
| Other financial assets             |      | 173                        | 152                    |
| <b>Total financial assets</b>      |      | <b>78,873</b>              | <b>48,105</b>          |
| <b>Financial liabilities</b>       |      |                            |                        |
| Trade and other payables           |      | 109,189                    | 72,886                 |
| Lease liabilities - current        |      | 7,883                      | 7,553                  |
| Lease liabilities - non-current    |      | 12,234                     | 15,482                 |
| <b>Total financial liabilities</b> |      | <b>129,306</b>             | <b>95,921</b>          |

12. The margin added to the BBSY is determined by the leverage ratio.

# Notes to the Condensed Financial Statements (CONTINUED)

## Section 3: Capital structure and financing

### 3.2 CAPITAL AND FINANCIAL RISK MANAGEMENT

#### Fair value measurements

##### A. Fair value hierarchy

AASB 13 Fair Value Measurement requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

| LEVEL 1  | LEVEL 2  | LEVEL 3   |
|--|--|---|
| Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. | Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. | Measurements based on unobservable inputs for the asset or liability. |

The Group buys inventories that are purchased in foreign currencies. In order to protect against exchange rate movements and to manage the inventory purchases process, the Group has entered into forward exchange contracts to purchase currencies.

The fair value of forward exchange contracts is measured at fair value using the Level 2 method. Forward exchange contracts are measured based on observable spot exchange rates, the yield curves of the USD as well as the currency basis spread between the currencies.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

The Group does not subsequently measure any liabilities at fair value.

The table below sets out the fair value of foreign exchange contracts as at 31 December 2024. This represented the amount 'in/(out) of the money' on financial instruments as at the reporting dates.

| CONSOLIDATED GROUP         |                  |              |
|----------------------------|------------------|--------------|
|                            | 31 December 2024 | 30 June 2024 |
|                            | \$'000           | \$'000       |
| Foreign exchange contracts | 8                | -            |

# Notes to the Condensed Financial Statements (CONTINUED)

## Section 3: Capital structure and financing

### 3.2 CAPITAL AND FINANCIAL RISK MANAGEMENT

#### Fair value measurements

##### B. Disclosed fair value measurements

The carrying value of financial assets and financial liabilities are not materially different to their fair values.

The Group enters into forward exchange contracts to manage the foreign exchange risk attached to inventory purchased in foreign currency. The Group has elected not to adopt hedge accounting, with any period movements in the fair value of the derivative contract taken to the income statement.

The fair value of forward exchange contracts is determined based on an external valuation report using forward exchange rates at the balance sheet date.

### 3.3.1 ISSUED CAPITAL AND RESERVES

#### A. Ordinary Shares

|                            | CONSOLIDATED GROUP |              |                  |              |
|----------------------------|--------------------|--------------|------------------|--------------|
|                            | 31 December 2024   | 30 June 2024 | 31 December 2024 | 30 June 2024 |
|                            | \$'000             | \$'000       | No.              | No.          |
| Fully paid ordinary shares | 267,221            | 270,012      | 99,866,173       | 100,616,298  |

Ordinary shares participate in dividends and the proceeds on winding-up of the parent entity in proportion to the number of shares held. At the shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

# Notes to the Condensed Financial Statements (CONTINUED)

## Section 3: Capital structure and financing

### 3.3.1 ISSUED CAPITAL AND RESERVES

#### B. Movements in ordinary share capital

| Details   | Date              | No. of shares | Issue price | \$          |
|---|-------------------|---------------|-------------|-------------|
| Balance   | 31 December 2022  | 107,044,098   |             | 301,549,342 |
| Shares issues to eligible employees under an incentive plan | 27 February 2023  | 32,445        | \$7.74      | 251,018     |
| On-market share buy-back                                    | 30 June 2023      | (1,563,000)   | \$4.44      | (6,944,159) |
| On-market share buy-back                                    | 30 June 2023      | (823,340)     | \$4.67      | (3,842,429) |
| Balance   | 30 June 2023      | 104,690,203   |             | 291,013,771 |
| Shares issues to eligible employees under an incentive plan | 22 August 2023    | 174,928       | \$8.11      | 1,418,103   |
| On-market share buy-back                                    | 15 September 2023 | (1,521,734)   | \$5.24      | (7,980,869) |
| On-market share buy-back                                    | 6 October 2023    | (309,119)     | \$5.14      | (1,590,249) |
| On-market share buy-back                                    | 10 November 2023  | (580,239)     | \$4.75      | (2,757,631) |
| Shares issues to eligible employees under an incentive plan | 29 November 2023  | 3,307         | \$5.21      | 17,229      |
| On-market share buy-back                                    | 29 December 2023  | (1,033,964)   | \$5.22      | (5,393,199) |
| Balance   | 31 December 2023  | 101,423,382   |             | 274,727,155 |
| On-market share buy-back                                    | 12 January 2024   | (447,076)     | \$4.95      | (2,211,185) |
| Shares issues to eligible employees under an incentive plan | 26 February 2024  | 78,297        | \$4.77      | 373,497     |
| On-market share buy-back                                    | 15 March 2024     | (367,010)     | \$8.22      | (3,015,605) |
| Dividend reinvestment plan                                  | 31 May 2024       | 135,077       | \$7.68      | 1,037,797   |
| On-market share buy-back                                    | 30 June 2024      | (206,372)     | \$4.36      | (899,960)   |
| Balance   | 30 June 2024      | 100,616,298   |             | 270,011,698 |
| Shares issues to eligible employees under an incentive plan | 26 August 2024    | 482,035       | \$6.86      | 3,308,146   |
| On-market share buy-back                                    | 5 September 2024  | (154,349)     | \$4.67      | (720,565)   |
| On-market share buy-back                                    | 30 September 2024 | (597,054)     | \$4.82      | (2,878,892) |
| Shares issues to eligible employees under an incentive plan | 8 October 2024    | 4,076         | \$2.93      | 11,943      |
| On-market share buy-back                                    | 1 November 2024   | (420,279)     | \$4.95      | (2,079,460) |
| Dividend reinvestment plan                                  | 29 November 2024  | 224,815       | \$4.49      | 1,009,419   |
| On-market share buy-back                                    | 2 December 2024   | (149,587)     | \$4.81      | (719,986)   |
| On-market share buy-back                                    | 18 December 2024  | (139,782)     | \$5.16      | (721,394)   |
| Balance   | 31 December 2024  | 99,866,173    |             | 267,220,908 |

# Notes to the Condensed Financial Statements (CONTINUED)

## Section 3: Capital structure and financing

### 3.3.1 ISSUED CAPITAL AND RESERVES

#### C. Merger reserve

The acquisition of Kogan Operations Holdings Pty Ltd by Kogan.com Ltd in 2016 has been treated as a common control transaction at book value for accounting purposes, and no fair value adjustments have been made. Consequently, the difference between the fair value of issued capital and the book value of net assets acquired is recorded within a merger reserve of \$131,816,250.

#### D. Share-based payments reserve

The reserve is used to recognise the value of equity benefits provided to employees as part of their remuneration. The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the Ordinary Shares at the date at which they are granted. The fair value is determined using a discounted cash flow valuation model, taking into account the terms and conditions upon which the equity instruments were granted, as discussed in Note 5.1.

### 3.3.2 DIVIDENDS

|  | CONSOLIDATED GROUP |                  |
|--|--------------------|------------------|
|  | 31 December 2024   | 31 December 2023 |
|  | \$'000             | \$'000           |
| Dividends paid during the half-year              | 7,571              | -                |
| Dividend reinvestment plan                       | (1,000)            | -                |
| Dividends paid net of dividend reinvestment plan | 6,571              | -                |

### 3.4 EARNINGS PER SHARE

#### A. Net profit or loss for the reporting period used as the numerator

|                                     | CONSOLIDATED GROUP |                  |
|-------------------------------------|--------------------|------------------|
|                                     | 31 December 2024   | 31 December 2023 |
|                                     | \$'000             | \$'000           |
| Net profit for the reporting period | 10,332             | 8,680            |

#### B. Weighted average number of ordinary shares of the entity used as the denominator

|  | CONSOLIDATED GROUP |                  |
|--|--------------------|------------------|
|  | 31 December 2024   | 31 December 2023 |
|  | No.                | No.              |
| Weighted average number of ordinary shares of the entity         | 100,422,794        | 103,613,852      |
| Diluted weighted average number of ordinary shares of the entity | 101,136,706        | 111,805,699      |

|                            | CONSOLIDATED GROUP |                  |
|----------------------------|--------------------|------------------|
|                            | 31 December 2024   | 31 December 2023 |
|                            | \$                 | \$               |
| Basic earnings per Share   | 0.10               | 0.08             |
| Diluted earnings per Share | 0.10               | 0.08             |

# Notes to the Condensed Financial Statements (CONTINUED)

## Section 4: Group structure

### 4.1 RELATED PARTIES

#### a. The Group's main related parties are as follows:

##### (i) Entities exercising control over the Group:

The ultimate parent entity that exercised control over the Group at 31 December 2024 was Kogan.com Ltd, which is incorporated in Australia.

##### (ii) Key management personnel:

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Director (whether executive or otherwise) of the entity, are considered Key Management Personnel. There is no change to the Key Management Personnel identified in the Group's Annual Report for the year ended 30 June 2024.

##### (iii) Other related parties:

Other related parties include entities controlled by the ultimate parent entity and entities over which Key Management Personnel have joint control.

#### b. Transactions with related parties:

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties:

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 arm's length terms.

|   | CONSOLIDATED GROUP |                  |
|---|--------------------|------------------|
|   | 31 December 2024   | 31 December 2023 |
|   | \$                 | \$               |
| Services provided by eStore warehousing for the half ending | 885,329            | 1,156,499        |
| Amounts payable to eStore as at 31 December                 | 243,825            | 207,749          |

The reduction in services period-on-period largely reflects the right-sizing of inventory levels.

# Notes to the Condensed Financial Statements (CONTINUED)

## Section 5: Team member reward and recognition

### 5.1 INCENTIVE PLANS

Kogan.com Ltd has adopted an Equity Incentive Plan (EIP) to assist in the motivation and retention of management and selected team members.

The Group has established incentive arrangements subsequent to listing on the ASX to assist in the attraction, motivation and retention of the executive team and other selected team members. The remuneration packages of will consist of the following components:

- fixed remuneration (inclusive of superannuation);
- short-term cash-based incentives; and
- equity based long-term incentives.

The Group has established the EIP, which is designed to align the interests of eligible team members more closely with the interests of Shareholders in the ASX listed entity post 7 July 2016. Under the EIP, eligible team members may be offered Restricted Shares, Options or Rights which may be subject to vesting conditions. In addition to those disclosed in the Annual report FY24, the following performance rights were granted under the EIP during the 6 months ended 31 December 2024.

#### 1HFY25 Tranches

A brief description of vesting conditions is provided below in relation to Rights granted in 1HFY25:

- Grants between 17 July 2024 through to 29 October 2024 require individuals to remain employed by the Group at the time of vesting and not being in their notice period; and
- Grants on 22 November 2024 are subject to Total Shareholder Return (TSR) performance conditions, along with the service condition requirement of remaining employed by the Group at the time of vesting and not being in their notice period. The proportion of Rights that vest will be pro-rated from 0 -100% based on achievement within a range of the TSR performance condition.

The fair value per Right granted was estimated at the grant date by taking into account the terms and conditions upon which the Rights were granted and applying the following assumptions:

|   | 17-Jul-24            | 17-Jul-24            | 17-Jul-24            |
|---|----------------------|----------------------|----------------------|
| Pricing model   | Black -Scholes Model | Black -Scholes Model | Black -Scholes Model |
| Number of Performance Rights  | 17,500               | 72,500               | 3,446                |
| Dividend yield  | 1.7%                 | 1.7%                 | 1.7%                 |
| Expected life (years)   | 1                    | 2                    | 0.5                  |
| Share price close on grant date   | \$4.54               | \$4.54               | \$4.54               |
| Exercise share price  | \$nil                | \$nil                | \$nil                |
| <b>Fair value of performance rights at grant date (per performance right)</b> | <b>\$4.47</b>        | <b>\$4.40</b>        | <b>\$4.51</b>        |

|   | 28-Aug-24            | 28-Aug-24            | 28-Aug-24            |
|---|----------------------|----------------------|----------------------|
| Pricing model   | Black -Scholes Model | Black -Scholes Model | Black -Scholes Model |
| Number of Performance Rights  | 53,685               | 86,200               | 37,960               |
| Dividend yield  | 1.60%                | 1.60%                | 1.60%                |
| Expected life (years)   | 0.8                  | 1.8                  | 2.8                  |
| Share price close on grant date   | \$4.67               | \$4.67               | \$4.67               |
| Exercise share price  | \$nil                | \$nil                | \$nil                |
| <b>Fair value of performance rights at grant date (per performance right)</b> | <b>\$4.61</b>        | <b>\$4.54</b>        | <b>\$4.46</b>        |

# Notes to the Condensed Financial Statements (CONTINUED)

## Section 5: Team member reward and recognition

### 5.1 INCENTIVE PLANS

|   | 1-Oct-24             | 1-Oct-24             | 29-Oct-24            |
|---|----------------------|----------------------|----------------------|
| Pricing model   | Black -Scholes Model | Black -Scholes Model | Black -Scholes Model |
| Number of Performance Rights  | 1,106                | 1,107                | 1,150                |
| Dividend yield  | 1.50%                | 1.50%                | 1.60%                |
| Expected life (years)   | 1.2                  | 2.2                  | 0.2                  |
| Share price close on grant date   | \$5.15               | \$5.15               | \$4.80               |
| Exercise share price  | \$nil                | \$nil                | \$nil                |
| <b>Fair value of performance rights at grant date (per performance right)</b> | <b>\$5.06</b>        | <b>\$4.99</b>        | <b>\$4.79</b>        |

|   | 22-Nov-24     |
|---|---------------|
| Pricing model   | Monte Carlo   |
| Number of Performance Rights  | 598,896       |
| Dividend yield  | 1.22%         |
| Expected life (years)   | 2.5           |
| Share price close on grant date   | \$6.14        |
| Exercise share price  | \$nil         |
| Volatility  | 59.49%        |
| Risk-free rate  | 4.08%         |
| <b>Fair value of performance rights at grant date (per performance right)</b> | <b>\$3.44</b> |

The Group may offer additional long-term incentive schemes to senior management and other team members over time.

During the period the Group recognised a share-based payment expense of \$1,026,522 (1HFY24: \$2,057,316) which relates to Performance Rights and Options granted during the year or in previous years.

The Group has recognised no expense in relation to cash based short term incentives in 1HFY25 (1HFY24: nil).



## Notes to the Condensed Financial Statements (CONTINUED)

### Section 6: Other

#### 6.1 SUBSEQUENT EVENTS

The Board has declared an Interim Dividend of 7.0 cents per Ordinary Share, with the Board deploying capital for additional initiatives including the resumption of the Share Buy-Back. The Interim Dividend has not been recognised as a liability in the consolidated financial statements at 31 December 2024.

The Dividend Reinvestment Plan will apply to the Interim Dividend at a 2.5% discount to the 5-day volume weighted average price of shares sold on the ASX from the trading day prior to the record date.

Other than the above, there are no further matters or circumstances which have arisen since 31 December 2024 which have, or may have had, a significant impact on the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial periods.

#### 6.2 CONTINGENT LIABILITIES

As at 31 December 2024, the Group had bank guarantees amounting to AUD \$1.2 million (30 June 2024: \$1.2 million), NZD \$2.6 million (30 June 2024: NZD \$2.6 million) with Westpac Banking Corporation, and NZ\$1 million with the Bank of New Zealand (BNZ) (30 June 2024: NZD \$1 million) in relation to its ordinary course of business.

## Director's Declaration

1. In the opinion of the Directors of Kogan.com Ltd ('the Company'):
  - a. the consolidated interim financial statements and notes that are set out on pages 8 to 25 in the Directors' report, are in accordance with the Corporations Act 2001, including:
    - i. giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance and its cash flows, for the half-year ended on that date; and
    - ii. complying with Accounting Standards AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001 and other mandatory professional requirements; and
  - b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors:



**David Shafer**

Executive Director

Melbourne, 24 February 2025

# Independent Auditor's Report

To the Members of Kogan.com Ltd and Controlled Entities



Ernst & Young  
8 Exhibition Street  
Melbourne VIC 3000 Australia  
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## Independent auditor's review report to the members of Kogan.com Ltd

### Conclusion

We have reviewed the accompanying condensed half-year financial report of Kogan.com Ltd (the Company) and its subsidiaries (collectively the Group), which comprises the condensed statement of financial position as at 31 December 2024, the condensed income statement and statement of other comprehensive income, condensed statement of changes in equity and condensed statement of cash flows for the half-year ended on that date, explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2024 and of its consolidated financial performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

### Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

### Directors' responsibilities for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

### Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

## Independent Auditor's Report (CONTINUED)

To the Members of Kogan.com Ltd and Controlled Entities



A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

A handwritten signature in black ink, reading 'Ernst & Young'.

Ernst & Young

A handwritten signature in black ink, reading 'Tony Morse'.

Tony Morse  
Partner

Melbourne  
24 February 2025

## Corporate Directory

### Company Secretary

Mark Licciardo, Acclime Australia

### Principal Registered Office

**KOGAN.COM LTD**

C/-Acclime Australia

7/330 Collins Street

Melbourne VIC 3000

+61 3 8689 9997

### Principal Place of Business

**KOGAN.COM LTD**

139 Gladstone Street

South Melbourne VIC 3205

+61 3 6285 8572

### Location of Share Registry

**AUTOMIC GROUP**

Suite 5, Level 12

530 Collins Street

Melbourne VIC 3000

1300 288 664

### Stock Exchange Listings

Kogan.com Ltd (KGN) shares are listed on the ASX.

### Auditors

**ERNST & YOUNG**

8 Exhibition Street

Melbourne VIC 3000

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.com