

2017 ANNUAL GENERAL MEETING

Chairman's address

17 November 2017

SLIDE 3: Chairman's address

Year in review

When Kogan.com listed on the ASX less than 18 month ago, we talked about your Company as, primarily, an online retailer – the leading Australian pure-play online retail website to be precise. And while your Company undoubtedly still holds this title, as I address fellow shareholders today, Kogan.com is a portfolio of products and services businesses targeted at our loyal Kogan Community.

The Kogan.com portfolio today includes Kogan Retail, Kogan Marketplace, Kogan Mobile, Kogan Travel, Kogan Insurance and Kogan Internet.

I will shortly invite Ruslan Kogan, your Company's Founder and CEO, to provide commentary on your Company's 2017 performance and an update on trading in the first four months of the 2018 Financial Year.

But let me first provide you with a couple of brief highlights.

SLIDE 4: FY17 Results

Kogan.com delivered a strong result in FY17, with:

- Statutory revenue of \$289.5 million, up 37.1% on prior year and up 20% on Prospectus forecasts;
- Pro Forma EBITDA of \$13.2 million, up 230% on prior year and up 91.3% on Prospectus forecasts; and
- Pro Forma NPAT of \$7.2 million, up 800% on prior year and up 188% on Prospectus forecasts.

These results reflect the skill and dedication of the Kogan.com team and the significant work undertaken to grow your Company's Active Customer and Subscriber base – both organically and via expansion strategies across the portfolio. They also underscore the significant investment Kogan.com has made in systems and automation over the past 11 years, allowing management to run an efficient, highly-scalable business.

Your company ended the year with a strong balance sheet including \$32 million in cash and an undrawn debt facility.

Due to the strength of Kogan.com's operating result and balance sheet, your Directors declared total dividends of 7.7 cents per share for 2017, fully franked.

Strategy

During the financial year, the team successfully:

- Grew Kogan.com's core retail businesses by delivering in-demand products;
- Grew Kogan Mobile by more than sevenfold; and
- Expanded your Company's partnership with Vodafone in preparation for the launch of Kogan Internet in 2018.

Your Board is confident in Kogan.com's growth strategy and believes that the business has a strong platform from which to expand. Kogan.com's growth initiatives are designed to support its vision to make the most in-demand products and services more affordable and accessible.

The Australian online retail market continues to grow rapidly and, as I noted when I addressed you last year, your Board believes it remains underpenetrated compared to other developed economies. With confirmation of Amazon's intention to launch a local presence in Australia, we expect the online retail market in Australia to go from strength to strength.

Funds raised from Kogan.com's IPO have been invested in accelerating the company's growth strategy, including investment in Exclusive Brands inventory and marketing.

Pleasingly, as a result of the continuing diversification of the Kogan portfolio, your company is now generating sufficient cash flow to self-fund the investments required for our higher-margin Exclusive Brands on an ongoing basis.

Kogan.com will continue to assess new business verticals that can scale with the Kogan Community and potential industry consolidation opportunities.

Remuneration

The Board recognises the performance of the Group depends on the calibre and motivation of its team members.

In order to deliver on our strategy, Kogan.com needs to appropriately attract, reward and retain team members at all levels of the business.

The Board has put in place incentive arrangements that are in line with best practice – combining fixed remuneration with a combination of cash and equity based short-term and long-term incentives. We are confident our remuneration strategy aligns relevant staff to the future success of the company.

Conclusion

I would now like to invite Ruslan Kogan, Founder and CEO of Kogan.com, to address the meeting and provide a more comprehensive review of the business during the 2017 financial year.

CEO's presentation

SLIDE 5: CEO'S PRESENTATION

Thanks Chairman.

I am delighted to address fellow shareholders at our 2017 Annual General Meeting.

When we met at last year's AGM, Kogan.com had only recently listed on the ASX.

We were grateful for the capital you entrusted to us to allow Kogan.com to pursue its growth ambitions.

We could see the momentum in the business and we were keen to prove ourselves.

A year on, we remain grateful but we are also equally proud that we have been able to take that capital and put it to work in our business in order to generate meaningful returns for you.

In 2017 Kogan.com paid out 7.7 cents per share or \$7.2 million in dividends. Total shareholder returns for our IPO investors were 115.9% at market close yesterday.

These returns have been facilitated by the success of our new verticals, brand growth, the eCommerce infrastructure we have built over the last 11 years and the strong operating momentum in our business.

During the year, we announced three separate earnings upgrades as we continued to stretch ourselves and our expectations of what we could achieve.

SLIDE 6: STRATEGY DRIVEN RESULTS

Our team is obsessed with delivering value to our loyal Kogan.com customers. Our strategy is underpinned by always exceeding expectations and delighting our community - which now boasts over 1 million Active Customers.

Data driven decision-making is in our DNA - it's been part of our culture since day dot. On top of our industry-leading IT platforms, we are able to generate sustainable growth because we make the right decisions driven by customer insights and analytics.

Understanding and serving our customers' needs is central to what we do. Our customers have high expectations and we strive to exceed them.

Our portfolio of retail and services businesses is focused on making in-demand products and services more affordable and accessible for all Australians.

Ultimately, providing compelling, market-leading offers to our customers is what drives our business.

As you will have seen from our Annual Report, Kogan.com relentlessly executed on this strategy to deliver strong growth on all key metrics during FY17.

The charts on this slide explain our growth trajectory better than any words could.

We have significantly outperformed top line, margin and earnings forecasts.

During FY17, we successfully captured growth opportunities across Private Label and our new verticals - Kogan Mobile and Kogan Travel - delivering revenue of \$289.5 million and outperforming our prospectus forecasts by 20%.

We also saw real benefits and efficiency gains from our investment in proprietary platforms and automation. These initiatives, along with the expansion of our portfolio of businesses, saw our gross profit margin grow to 17.9% whilst improving the competitiveness of our consumer offering.

We more than tripled our Pro Forma EBITDA compared to the prior year, delivering \$13.2 million in FY17, 91.3% ahead of our prospectus guidance.

SLIDE 7: GROWTH DRIVERS

There were a number of key drivers of our financial performance in FY17.

Firstly, the release of cash constraints on our business has really allowed us to spread our wings.

Following the IPO, we were able to invest in inventory to drive growth in FY17. Like all important decisions in the business, these were data-driven decisions using our proprietary systems and processes that determine demand with precision.

Our Exclusive Brands strategy enables us to deliver high quality in-demand products at market leading prices. We were thrilled that during 2017, our Kogan TVs were the only TVs in Australia to be voted 5 star value-for-money by Canstar.

Our goal is not to create demand, but to service demand on the most popular products. As a result of the investments we made in our Exclusive Brands inventory, we saw growth of 43.8% in Exclusive Brand revenue in the second half of FY17 compared to the same half in the prior year.

We believe our world class supply chain is the most efficient way to get in-demand products from point of manufacture into customers' hands.

Secondly, we continued our investment in our brand.

When we win a new customer, they join the Kogan Community and we can start to build a relationship with them using our proprietary marketing engine and systems. This is one of the reasons why our percentage of free traffic is so high.

It's a testament to the brand we have built over the last 11 years. Kogan.com is a brand that keeps existing customers coming back and drives them to tell their friends about their positive experiences. In turn, this generates marketing efficiencies in our business and allows us to delight those customers with the most competitive offers in the market.

We directly track the impact of our marketing spend on sales and – while we are thrilled to now have the capital to invest, we do so with great caution and we measure the impact of every cent we spend.

We have an industry-leading Net Promoter Score of 60. In 2017, we increased our annual revenue per customer and our conversion rate continues to show a positive trend, demonstrating the strength of our proprietary ecommerce platform and our consumer offering.

Thirdly, we continued to develop our portfolio of businesses with a win/win/win proposition.

- It's a win for our customers because they get the best deals in the market
- It's a win for our partners because they get access to the Kogan Community
- And it's a win for our shareholders

Kogan Mobile achieved significant growth in FY17, with total commissions of \$3.6 million. Our strong commercial partnership with Vodafone and our direct voice with the Kogan Community have been key drivers of this growth.

Between Kogan and Vodafone, we have high expectations for this business and we expect the growth trajectory to continue for years to come.

The continued success of Kogan Mobile demonstrates the strength of the Kogan brand and marketing engine in powering new verticals. I will talk more about our portfolio strategy shortly.

Meanwhile, we continue to see operating leverage and efficiency measures driving returns at the bottom line.

In terms of our gross profit and EBITDA performance, while a key contributor was margin expansion partly due to mix-shift, we also continue to benefit from the significant investments we made in our systems and technology prior to IPO.

The hard work undertaken by the team to implement proprietary software solutions has delivered efficiencies in time and cost via automation, timelier reporting and improved business insights.

SLIDE 8: PORTFOLIO STRATEGY

The Kogan.com brand has now extended itself to become a Portfolio of products and services businesses targeted at the Kogan Community of subscribers and loyal customers.

In the past 12 months, over one million unique customers have transacted with us.

In FY17, we engaged with that Community through Kogan Retail, Kogan Marketplace, Kogan Mobile and Kogan Travel to grow our active customer numbers by 36%.

We also announced that we would extend our partnership with Vodafone to launch Kogan Internet in 2018. And we are now also partnering with leading global insurer Hollard to offer value for money insurance products through Kogan Insurance.

We are focused on giving the Kogan Community access to products and services that are in high demand where we can deliver value more efficiently than our competitors. We see many more opportunities for partnerships of this nature.

SLIDE 9: MARKET OPPORTUNITY

I'd like to talk briefly about the way we see the online market in Australia as it relates to your Company and the opportunities ahead.

There's no doubt that the way people buy goods and services in Australia has undergone significant change in the past decade. It's a wave of change that continues with great pace and we are proud to have played a key role in it. Saying that, we operate in a dynamic market and we expect that wave of change to accelerate as commerce in Australia undergoes structural change.

Online retail is still under-represented in Australia compared to other major developed economies. Today online retail represents about 7.5% of the total Aussie retail market. For economies with a large marketplace player (such as an Amazon or an Alibaba) online retail penetration is closer to 20%.

While Amazon is already a major force in Australia (it's a top 25 site) the launch of a local presence will undoubtedly bring more shoppers online.

With traditional channels facing continued consolidation, the path to market in Australia is begging for diversification. We expect the evolution of the local retail market to drive some

significant behavioral shifts – causing customers to rethink how they buy and suppliers to rethink how they distribute their inventory.

For Kogan.com, this represents an opportunity to drive incremental sales through additional platforms and channels - just as we benefit from eBay and TradeMe as a platform for Kogan's suite of Exclusive Brands.

With a brand that has built a reputation for price leadership through digital efficiency, Kogan.com is well placed to continue to grow market share.

SLIDE 10: KOGAN KINETICS - OUR VIRTUOUS CYCLE

It's worth spending a moment touching upon the virtuous cycle that we're experiencing in our business. As you know, our consumer offering has significantly improved over the past few years. We now have over 75,000 products on our site. We also have a compelling consumer services offering across mobile plans, travel deals and general insurance.

As our consumer offering improves with a broader selection of products and services and improved pricing, this drives customer and brand growth and enables us to efficiently win and retain customers.

As our customer numbers continue to grow and our brand value increases, we become more appealing to potential partners as a channel to drive their businesses -- this applies to top tier manufacturing partners, third party brands and partners in new verticals like Vodafone and Hollard.

As the quality and size of our partnerships improve, we then are able to further drive improved customer offers, further propelling this virtuous cycle.

SLIDE 11: 2018 FOCUS

We're very excited about some of the new partnerships that we have already launched or will be launching in financial year 2018.

In June, we announced an expanded partnership with Vodafone to offer fixed-line NBN plans from 2018. The NBN is a major opportunity for Kogan.com -- current NBN activations of 2 million premises are not even a third of the projected 7.6 million activations by 2020!

We expect Kogan Internet to launch in the second half of FY18 and scale into FY19.

Our other exciting new vertical that we have recently announced is Kogan Insurance where we have partnered with leading insurance provider Hollard to target the \$30.8 billion Australian insurance market.

Kogan Insurance currently provides value for money offerings in Home, Contents, Landlord, Car and Travel insurance.

We launched Kogan Insurance to the Kogan Community in early August, so this new business in our portfolio is already contributing to FY18 revenue and earnings.

SLIDE 12: TRADING & OUTLOOK

Kogan.com is now outside its Prospectus forecast period and your Board has elected not to provide full year earnings guidance. However, Kogan.com issues regular trading performance updates at the time of quarterly cash-flow statements.

We have had a strong start to FY18 and we recently advised the market that, based on unaudited management accounts for the quarter ended 30 September 2017, your company was seeing revenue growth of 35.9% and EBITDA growth of 37.7% when compared to the same period last year. We are also continuing to achieve gross margin uplift.

Today, I am pleased to advise that the year-to-date growth numbers up to the end of October have improved further, with revenue growth of 36.2%, gross margin of 18.4% and EBITDA growth against prior year's pro-forma EBITDA of 58.3%. This represents an increase in the year-to-date growth trend, following a strong trading performance in October.

We are very excited about the trajectory of the business and the growth opportunities available to us.

Your Board believes that Kogan.com will continue its trajectory of strong revenue growth as we continue to invest in our brand, our inventory and our marketing. We also expect that our EBITDA margin will continue to lift as we expand the Kogan Portfolio of businesses.

SLIDE 13: HIGH PERFORMANCE TEAM

Before I hand back to the Chairman, I would like to take a moment to thank the highly talented and motivated team at Kogan.com who deliver for our customers, and our shareholders, every day.

We operate in some very competitive industries and getting to work with some of the best eCommerce talent in the country makes it very easy for everyone to jump out of bed in the morning and set out on a mission to delight our customers and shareholders.

The work of our team is reflected not only in the performance of our business, but also in a variety of awards and accolades.

In 2017, the Australian public voted Kogan.com as their favourite online shopping destination at the Startrack Online Retail Industry Awards. We are extremely humbled by this vote of confidence from the Australian public - it's the most important vote of all.

Kogan.com's Chief Technology Officer, Goran Stefkovski, won "Consumer CIO of the Year" for the fantastic work that he and his team did to integrate the online operations of Dick Smith.

Kogan.com was voted the Number 1 most mobile-ready Australian brand thanks to our proprietary, fully responsive eCommerce platform.

And Kogan's exclusive Private Label brands continue to outperform peers on price and quality. Our TVs were the only TVs in Australia rated 5 star value-for-money by Canstar. Our steam mops won the Canstar most satisfied customers award - beating the likes of Karcher, ALDI, Hoover, and De'Longhi. And our Air Conditioners won the Canstar value for money award. These are just some of the awards that demonstrate the market position of our Exclusive Brands.

The Kogan.com team is incredibly proud of the Company we are building and we are excited by the growth opportunities ahead of us.

I look forward to talking to you more about our business informally after the meeting.

Thank you.