ASX ANNOUNCEMENT

24 August 2026

Kogan Group exceeds $1 billion in Gross Sales as growth accelerates and margins expand

Kogan.com Ltd (the Company; the Kogan Group; ASX:KGN) is pleased to announce its results for the financial year ended 30 June 2026 (FY26).

FY26 demonstrated delivery against the Group's key priorities and strengthening earnings quality:

- Kogan.com's strong growth and margin expansion drove increased cash generation, supported by continued growth in recurring, capital-light earnings.
- Mighty Ape's operational reset is in progress, with positive Adjusted EBITDA in 4QFY26.

FY26 overview (vs FY25):

Financial Items	Kogan.com	Change	Mighty Ape	Change	Kogan Group	Change
Gross Sales[1] ($m)	924.2	+16%	118.1	(14%)	1,042.3	+12%
Revenue ($m)	425.2	+16%	85.6	(30%)	510.7	+5%
Gross Profit ($m)	184.8	+18%	26.1	(23%)	210.9	+11%
Adj. EBITDA[2] ($m)	45.1	+22%	(3.3)	n/m	41.8	+14%
Adj. EBITDA Margin (%)	10.6	+0.5pp	(3.9)	n/m	8.2	+0.7pp
Statutory NPAT ($m)	16.3	n/m	(5.1)	n/m	11.2	n/m

Other key items:

- **Cash** of $36.4 million as at 30 June 2026, with no external debt.
- **Inventories** of $77.9 million as at 30 June 2026, up $5.7 million YoY to support the growth of the Products Division.
- **Operating Cash Flow** of $41.9 million, up 12.5% YoY; **Free Cash Flow**[3] of $38.3 million, up 18.2% YoY.
- **$34.9 million returned to Shareholders** in FY26, comprising $14.7 million in dividends and $20.2 million via the on-market share buy-back program.
- **FY26 final dividend** of 8.0 cents per Ordinary Share, fully franked; bringing **total FY26 dividend** to 16.0cps, fully franked, up 14.3% YoY.

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[1] *Gross Sales is a key metric of the Business, given that gross transaction values of the marketplaces and Verticals are not reflected in Revenue.*
[2] *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.*
[3] *Calculated as net cash flows from Operating Activities plus cash flows from capital expenditures in Investing Activities.*

Kogan.com - double-digit growth, margin expansion and operating leverage

Kogan.com delivered strong growth in FY26, with Revenue increasing 16.2% to $425.2 million, Gross Profit increasing 18.4% to $184.8 million and Adjusted EBITDA increasing 22.4% to $45.1 million. This combination of revenue growth, margin expansion and operating leverage demonstrates the strength and scalability of the Kogan.com business model.

The business leveraged AI-driven processes and automation across its operations, supporting both margin expansion and greater operating efficiency. Gross Margin increased 0.8pp to 43.5%, while fixed costs declined to 12.8% of Revenue (FY25: 13.8%), with the fixed cost base growing at approximately half the rate of Revenue.

This increased operating efficiency enabled greater investment in marketing to drive further growth, while continuing to expand earnings margins. Adjusted EBITDA margin increased to 10.6% (FY25: 10.1%) and Adjusted EBIT margin increased to 8.2% (FY25: 7.3%).

Mighty Ape - Operational reset delivering improved performance

Mighty Ape continued its significant operational reset in FY26 to return the business to profitability. The reset focused on optimising inventory, rationalising unprofitable categories with an expected reduction in revenue, simplifying the cost base and applying elements of the Kogan.com operating model to the New Zealand market.

- Inventory reduced from approximately $21 million to $10 million, creating capacity for fresh and in-demand products.
- Operations ceased at the Christchurch warehouse.
- A One Global Team structure was adopted that delivered further efficiencies.

Together, these initiatives reduced quarterly fixed costs from $4.9 million in 1QFY26 to $3.4 million in 4QFY26, and returned the business to positive Adjusted EBITDA in 4QFY26.

At the same time, Platform-based Sales across Mighty Ape Marketplace, PRIMATE and Mighty Mobile continued to grow, increasing the contribution of higher-margin revenue streams. Combined with the rationalisation of unprofitable categories and completion of low-margin inventory clearance, this contributed to a significant improvement in Gross Margin through FY26.

Key FY26 financial highlights (vs FY25)

- **Kogan Products**, comprising Exclusive Brands and Third-Party Brands, continued to deliver strong growth across all categories. Revenue increased 18.0% to $304.6 million.
- **Marketplaces** delivered Revenue of $38.7 million, growing 25.9%, driven by continued marketing optimisation, an expanded seller base, and the growing contribution from the Marketplace model following its expansion to Mighty Ape.
- **Loyalty Subscriptions** (Kogan FIRST and Mighty Ape PRIMATE) delivered combined Revenue of $61.4 million, up 14.3% YoY, with deferred income of $11.3 million as at 30 June 2026. These results highlight the continued success in deepening customer loyalty, driving higher engagement, and increasing repeat shopping across both platforms.
- **Verticals** achieved Revenue of $24.2 million, up 4.3%, with performance particularly supported by Kogan Mobile and Kogan Insurance, together with an increasing contribution from the expansion of the Verticals model into Mighty Ape.
- **Advertising & Other** delivered $4.9 million of Revenue, up 14.6%.

- **AI (artificial intelligence)** was deployed across Kogan.com's Customer Care operations in March 2026, automating a significant proportion of customer enquiries, considerably improving resolution times, and achieving reduced serving costs. Internal AI processes deployed across Product, Engineering and Operations are compounding Group-wide efficiency gains, increasing capacity and enabling the Group to scale without proportionate headcount growth.
- **Cash balance** was $36.4 million (30 June 2025: $42.1 million) as at 30 June 2026, with no external debt. The year included $20.2 million invested in the ongoing on-market share buy-back program and $13.0 million in dividend payments (net of the Dividend Reinvestment Plan valued at $1.7 million).
- **Group Inventories** stood at $77.9 million as at 30 June 2026, up $5.7 million YoY to support the growth of the Products division in Kogan.com. Kogan.com inventory was at optimal levels, while Mighty Ape completed its inventory range reset and commenced building fresh, in-demand product ranges.
- **Operating Cash Flow** of $41.9 million, increased 12.5%, while **Free Cash Flow** of $38.3 million increased 18.2%, demonstrating strong cash conversion and providing capacity to invest for growth while continuing to return shareholder capital and grow dividends.
- **61% of Gross Profit** was generated from higher-margin Platform-based Sales, up from 59% in FY25.

FY26 final dividend

The Board has declared a fully franked final dividend of 8.0 cents per Ordinary Share (FY25: 7.0cps, partially franked to 69%), bringing the total FY26 dividend to 16.0cps, fully franked, up 14.3% YoY (FY25: 14.0cps, partially franked).

The FY26 final dividend will have a Record Date of 11 September 2026 and Payment Date of 30 November 2026.

The Dividend Reinvestment Plan (DRP) will apply to the Dividends at a 2.5% discount to the 5-day volume weighted average price of shares sold on the ASX over the five trading days immediately preceding the relevant Record Date.

In addition, the Board intends to continue the Company's on-market share buy-back program.

Commenting on the Group's FY26 performance, Founder and CEO Ruslan Kogan said:

"Everything we do starts with our customers. Our focus is simple: find ways to deliver them more value; through better prices, a broader range of products and services, and an increasingly compelling shopping experience.

"The way we've built the Company allows us to do this sustainably. Our loyalty programs create deeper relationships with customers, our platform-based businesses expand the range of services we can offer, and the scale and efficiency of our operating model helps us keep prices low. As we become more efficient and profitable, we can reinvest those benefits back into our customer proposition, creating a powerful cycle of better value, stronger loyalty and a better business.

"We made significant progress on this model during FY26. At Kogan.com, we continued to strengthen our customer proposition while growing profitability and expanding margins. At Mighty Ape, we have spent the year simplifying the business and improving its efficiency, creating a stronger foundation from which to deliver great value to New Zealand customers.

"I want to thank our Team for their incredible efforts over the past year. We enter FY27 with a stronger and more efficient business, and we're excited about the opportunities ahead to keep innovating, improving our offering and finding new ways to help our customers live their best lives."

July 2026 sales and revenue performance

Key top-line items from the July 2026 unaudited management accounts are:

- Group Gross Sales of $88.1 million (+9.0% YoY)
  - Kogan.com Gross Sales of $79.5 million (+12.8% YoY)
  - Mighty Ape Gross Sales of $8.6 million (-17.1% YoY)

- Group Revenue of $43.8 million (+6.0% YoY)
  - Kogan.com Revenue of $38.5 million (+17.9% YoY)
    - The differential to Gross Sales reflects a portion of Jun-26 EOFY sales being dispatched in Jul-26.
  - Mighty Ape Revenue of $5.3 million (-39.0% YoY)

FY27 outlook

Kogan Group enters FY27 with positive momentum and a strengthened platform for further investment in our customer offering. While the broader economic environment remains uncertain and continues to evolve, the Group is well positioned to build on the progress achieved in FY26.

At Kogan.com, the focus will remain on disciplined growth in Products Division sales, further growth in higher-margin Platform-based Sales and AI-driven operating efficiencies. At Mighty Ape, the priority will be to build on the progress made through the operational reset and generate sustainable, profitable sales.

Board succession

In accordance with the Board renewal process previously announced in August 2025, Independent Non-Executive Chair Greg Ridder, and Independent Non-Executive Director Harry Debney, will retire from the Board at the conclusion of the Company's 2026 Annual General Meeting, after more than 10 years of service since Kogan.com's IPO in 2016.

The Company expects to complete a smooth transition of their Board roles following the 2026 Annual General Meeting, with:

- Independent Non-Executive Director Gary Levin to succeed Greg Ridder as Chair of the Board
- Independent Non-Executive Director Ronn Bechler to succeed Harry Debney as Chair of the Audit & Risk Management Committee.

The Board thanks Greg and Harry for their significant contribution to Kogan.com over the past decade, including their stewardship of the Company through a period of substantial growth and evolution since its listing on the ASX.

Executive remuneration arrangements

In anticipation of the expiry on 30 June 2026 of the existing remuneration packages for Kogan.com's Founder and CEO, Ruslan Kogan, and CFO/COO, David Shafer, the Board has been in discussions with each of them regarding appropriate remuneration arrangements as the Company enters its next phase of growth.

In Mr Kogan's case, the Board is considering a revised remuneration package designed to further align his remuneration with the creation of substantial Shareholder value.

After 16 years with Kogan.com, Mr Shafer has indicated that, while he feels privileged to work with such an incredible team at Kogan.com and loves partnering with Mr Kogan to help build the business and deliver for consumers, he feels it is approaching the right time for him to move on to pursue other interests. Given the important role Mr Shafer has played in Kogan.com's growth and development, and the value of continuity as the Company enters its next phase, the Board has asked him to remain with the Company to support an orderly leadership transition. Mr Shafer has indicated that he wants to ensure there is a seamless transition, and that the business maintains its strong momentum well into the future. While Mr Shafer has a 6-month notice period in his agreement, he has indicated he is prepared in principle to continue in his role for a longer period to deliver on these objectives. Accordingly, the Board is in discussions with Mr Shafer regarding an appropriate retention arrangement.

The proposed arrangements are still being finalised and will be subject to any required regulatory and shareholder approvals. The Board's current intention is that, once agreed, the arrangements will apply from 1 July 2026, consistent with the Company's FY27 remuneration period. It is also intended that, for the purposes of assessing the vesting conditions under potential LTI arrangements for both Mr Kogan and Mr Shafer, the starting share price will be determined by reference to the 10-trading day volume weighted average price of Kogan.com's shares commencing today, being the date of release of the Company's FY26 results.

Further details will be announced once the proposed arrangements are agreed and in advance of Kogan.com's 2026 Annual General Meeting, scheduled for Monday, 23 November 2026.

Investor briefing

A presentation of the FY26 results as well as a briefing session for investors and analysts will be held at 10:30 am (AEST) today. Participants can register for the briefing session via: www.koganpresentation.com.

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

ENDS

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