ASX ANNOUNCEMENT

7 September 2026

Proposed new remuneration arrangements

- ***Founder and CEO Ruslan Kogan to move to minimum wage, no STI, and proposed LTI award subject to demanding absolute TSR hurdle.***
- ***CFO & COO David Shafer to remain until 30 June 2028 to support an orderly transition.***

Kogan.com Ltd (ASX: KGN) (the Company or Kogan Group) today provides details of the proposed remuneration arrangements for its Founder and CEO, Mr Ruslan Kogan, and its CFO and COO, Mr David Shafer, which it flagged in its FY26 results announcement on 24 August 2026.

The proposed arrangements remain subject to shareholder approval.

Key points

Mr Ruslan Kogan

- Fixed annual remuneration will reduce from $847,838 (including superannuation) to the applicable minimum wage of approximately $50,000 (in line with legal requirements), which Mr Kogan has indicated he will donate to charity.
- No short-term incentive.
- The principal component of his remuneration opportunity will be 6,740,331 Performance Rights, subject to an absolute TSR hurdle of 100% over the five year performance period with a base price for the TSR calculation of $3.72. Nothing vests below that level and there is no pro rata or graduated vesting.
- Achieving the hurdle would represent approximately $383 million of additional shareholder value from the 4 September 2026 closing price of $3.40 (inclusive of dividends and other distributions). For the purpose of determining the number of Performance Rights, an indicative fair value of $1.81 per Performance Right was used[1].

Mr David Shafer

- As announced on 24 August 2026, after 16 years with the Kogan Group, Mr Shafer has indicated that it is approaching the right time to pursue other interests. The Board has asked him to remain until 30 June 2028 to support an orderly leadership transition, and he has agreed.
- His proposed arrangements are retention-focused and include revised fixed remuneration and incentive arrangements, together with a cash-settled Retention Award subject to an absolute TSR hurdle of 50% over a two year performance period in lieu of being granted an LTI (with the same base price of $3.72).

[1] The indicative fair value of $1.81 per Performance Right was calculated as at 5 June 2026 by the Company using a Monte Carlo methodology and based on the following key inputs and assumptions: a share price and TSR base price of $4.02, expected share price volatility of 36.5%, a dividend yield of 2.82% and a risk-free interest rate of 4.0%. The use of the 5 June 2026 date reflects a point in time when discussions regarding the proposed new long-term incentive arrangements had already been underway for several weeks.

- Achieving the 50% TSR hurdle would represent approximately $207 million of additional shareholder returns from the 4 September 2026 closing price of $3.40 (inclusive of dividends and other distributions). The cash Retention Award will be determined by reference to 1,666,667 Notional Units[2]. The number of Notional Units was determined using an indicative fair value of $1.80 per Notional Unit[3]. The Retention Award is also subject to employment and repayment conditions through to 30 June 2028.

Governance

- The proposed arrangements were developed by the non-executive Directors following consultation with the Executive Directors and after receiving independent remuneration advice, and are subject to shareholder approval.
- The Company intends to convene an Extraordinary General Meeting (EGM) at which shareholders will be asked to consider and vote on resolutions to approve the proposed arrangements.
- As announced on 24 August 2026, the Company flagged the proposed arrangements and the methodology for determining the Starting Share Price. The Starting Share Price of $3.72 was determined based on the VWAP over the 10 consecutive trading days commencing on the release of the Company's FY26 results. Accordingly, the starting point for measuring the TSR hurdles was determined in accordance with the methodology disclosed on 24 August 2026.
- The non-executive Directors unanimously support the proposed arrangements and recommend that shareholders vote in favour of the relevant resolutions at the EGM to be held.

These arrangements have the full support of the non-Executive Directors

Chair of Kogan.com, Mr Greg Ridder, said:

"In developing these arrangements, the Board has listened carefully to feedback from shareholders and other stakeholders, particularly on the importance of clear and demanding performance conditions and a strong and transparent link between executive reward and shareholder returns.

"The core Kogan.com business delivered a strong result in FY26, generating more than $1 billion in gross sales, operating leverage, expanding margins, increasing profitability, higher fully franked dividends and a strong capital position. That positive momentum has continued into FY27 given the July gross sales and revenue results disclosed a few weeks ago. The Board wants to build on that performance by retaining and appropriately incentivising the executive directors who helped deliver it, and position the Company to deliver on the exciting growth opportunities ahead and increase shareholder value.

"Kogan.com has always been an entrepreneurial business, and the Board believes the remuneration framework should support the ambition, innovation and long-term thinking that have been central to the Company's success to date, while maintaining the clear accountability and strong shareholder alignment expected of a listed company.

"The proposed arrangements are designed to achieve that balance. For Mr Kogan, the package reflects his high commitment to value creation and represents a significant shift away from conventional executive

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[2] The Notional Units are used solely to determine the amount of the cash payment under the Retention Award and do not constitute securities or confer any right to acquire shares.

[3] The indicative fair value of $1.80 per Notional Unit was calculated as at 5 June 2026 by the Company using a Monte Carlo methodology and was based on the following key inputs and assumptions: a share price and TSR base price of $4.02, expected share price volatility of 36.5%, a dividend yield of 2.82% and a risk-free interest rate of 4.0%. The use of the 5 June 2026 date reflects a point in time when discussions regarding the proposed Retention Award had already been underway for several weeks.

remuneration structures. Reflecting the exceptional degree of shareholder alignment embedded in the structure, Mr Kogan will receive approximately $50,000 per annum that he will donate to charity, and no short-term incentive. His principal remuneration opportunity will be subject to an absolute TSR hurdle of 100% over a five year performance period.

"Mr Shafer's arrangements reflect his different circumstances and the importance of continuity as the Company enters its next phase of growth. His Retention Award is also subject to a demanding absolute TSR hurdle of 50% over a two year performance period, alongside conditions designed to support his retention through an orderly leadership transition.

"While the arrangements are different, the underlying principle is straightforward: the major long-term rewards are tied to substantial shareholder value creation. The Board believes the proposed arrangements provide a clear and transparent link between executive reward and shareholder returns."

Mr Ruslan Kogan

For Mr Kogan, the proposed arrangements represent a fundamental shift away from conventional executive remuneration structures. If approved, the new framework will apply from shareholder approval. Under the proposed FY27–FY31 remuneration package:

- Mr Kogan's fixed remuneration will be reduced to an annual salary equal to the applicable minimum wage (in line with legal requirements), which he has indicated he will donate to charity;
- he will have no entitlement to a short-term incentive; and
- instead, the principal component of his remuneration opportunity will be a new five year long-term incentive (LTI), comprising 6,740,331 Performance Rights to be granted under the Company's Equity Incentive Plan and subject to a demanding performance condition requiring total shareholder return (TSR) of at least 100% from the Starting Share Price of $3.72.

The Starting Share Price of $3.72 is the volume weighted average price (VWAP) of the Company's shares over the 10 consecutive trading days commencing on the release of the Company's FY26 results. The methodology for determining the Starting Share Price was announced by the Company on 24 August 2026. That starting price is above the Company's closing price on 4 September 2026 of $3.40.

The proposed remuneration package has been structured as an integrated arrangement and is conditional on shareholder approval of the Performance Rights. If that approval is not obtained, the Performance Rights will not be granted and none of the proposed FY27–FY31 remuneration package will take effect.

The performance condition is based on absolute, not relative, TSR and there is no pro rata or graduated vesting. The Performance Rights vest in full at 100% TSR (from the starting price of $3.72) and nothing vests below that level. The performance condition is tested throughout the five year performance period commencing from the date of shareholder approval, with the Performance Rights vesting once the 100% TSR threshold is first achieved, as measured by reference to the VWAP over a 10 consecutive trading day period**.** Once vested, the Performance Rights will have a 24-month exercise period and may be satisfied by the issue or transfer of shares or, at the Board's discretion, by a cash payment.

The number of Performance Rights was calculated using a target aggregate fair value of approximately $12.2 million assessed as at 5 June 2026, when discussions regarding the proposed new package had already been underway for several weeks.

If all Performance Rights vest and are exercised and satisfied through the issue of new shares, the maximum potential dilution to existing shareholders would be approximately 7.11% (based on the Company's current issued share capital). Any settlement in shares will remain subject to applicable Corporations Act 2001 (Cth) and ASX Listing Rule requirements. The vesting arrangements described above are subject to applicable cessation of employment and change of control provisions governing the Performance Rights.

The Board recognises that the potential value of the Performance Rights is significant. The performance required is also significant, with substantial reward tied to substantial shareholder value creation, representing an increase in shareholder value of approximately $383 million from the 4 September 2026 closing price of $3.40 (inclusive of dividends and other distributions during the relevant period).

If shareholder approval is obtained for the grant of the Performance Rights, Mr Kogan's employment agreement will also be updated with effect from the date of shareholder approval, as part of the proposed new arrangements, with the material terms of his amended employment agreement summarised in Annexure A.

Mr David Shafer

Mr Shafer has played an important role in the Company's growth and development over many years. As announced on 24 August 2026, after 16 years with the Company, Mr Shafer has indicated that he feels it is approaching the right time to pursue other interests. Given his historical importance to the business and the value of continuity as the Company enters its next phase of growth, the Board has asked Mr Shafer to remain with the Company to support an orderly leadership transition through to 30 June 2028, and he has agreed to do so.

For that reason, the proposed arrangements for Mr Shafer are different and are specifically retention-focused. He will continue to be paid a salary and be eligible for annual short term incentives. His proposed Retention Award is designed to support retention, but it is not a service-only award; it is subject to a demanding performance condition requiring the Company to achieve TSR of at least 50% from the Starting Share Price over a two year performance period. The proposed FY27–FY28 arrangements comprise:

- revised fixed remuneration of $700,000 per annum plus superannuation, subject to annual review, with effect from 1 July 2026 and any increase from that date to be paid retrospectively once the revised remuneration package takes effect;
- a revised annual incentive opportunity, comprising a minimum payment of 75% of base salary, provided Mr Shafer remains employed until the end of the relevant financial year and has not been terminated for cause[4], with the opportunity to earn up to a maximum of 112.5% of base salary. Any payment above the 75% minimum will be determined by reference to the Company's Adjusted EBITDA performance against budget and the applicable project, succession and transition objectives for the relevant financial year; and
- a cash-settled Retention Award over a two year performance period commencing on the date of grant following shareholder approval, comprising 1,666,667 Notional Units and subject to the 50% TSR performance condition described above (using the same starting price of $3.72). The Notional Units are used solely to determine the amount of the cash payment and do not constitute securities or confer any right to acquire shares.

The number of Notional Units was calculated using a target aggregate fair value of approximately $3.0 million assessed as at 5 June 2026, when discussions regarding the proposed Retention Award had already been underway for several weeks.

In line with Mr Kogan's award, the vesting outcome of the Retention Award is based on absolute, not relative, TSR and there is no pro rata or graduated vesting. The Retention Award does not vest unless the

[4] The proposed definition of cause includes specified serious criminal, civil and misconduct circumstances and material breaches of his employment agreement or applicable law, subject in certain cases to a 30-day remedy period and the Board acting reasonably.

50% TSR performance condition is achieved over the two year performance period, as measured by reference to the VWAP over a 10 consecutive trading day period. This represents an increase in shareholder value of approximately $207 million from the 4 September 2026 closing price of $3.40 (inclusive of dividends and other distributions during the relevant period). If the performance condition is satisfied, the Retention Award will be paid entirely in cash. The amount payable will equal 1,666,667 multiplied by the VWAP of the Company's shares over the 10 consecutive trading day period in which the 50% TSR performance condition is first achieved. The vesting arrangements described above are subject to applicable cessation of employment and change of control provisions governing the Retention Award.

The Retention Award is also subject to employment and repayment conditions designed to support Mr Shafer's retention through to 30 June 2028. If Mr Shafer resigns or his employment is terminated for cause[5] before that date:

- if the 50% TSR performance condition has not been satisfied, the Retention Award will lapse and no amount will be payable; and
- if the performance condition has been satisfied and a cash payment has already been made, Mr Shafer will be required to repay that amount on a pro rata basis by reference to the unserved portion of the period from 1 July 2026 to 30 June 2028.

No repayment will be required if Mr Shafer's employment ends on or after 30 June 2028, subject to the applicable forfeiture and clawback provisions. If Mr Shafer's employment ends due to death, incapacity, total and permanent disability or serious illness, the Retention Award will vest in full and become payable in cash, subject to the Corporations Act and ASX Listing Rules.

If shareholders approve the Retention Award, Mr Shafer's employment agreement will be amended so that the Company may terminate his employment only for cause[6]. The amendment forms part of his revised remuneration package, which will take effect upon shareholder approval.

Other terms

Both the Performance Rights and the Retention Award are also subject to specified cessation of employment, change of control, forfeiture and clawback provisions. Further details of these provisions will be set out in the Notice of Meeting and Explanatory Statement.

Shareholder approval and regulatory review

The proposed Performance Rights for Mr Kogan and the Retention Award for Mr Shafer will each be subject to shareholder approval. The proposed arrangements for each executive have been structured as integrated arrangements. If the relevant shareholder approval is not obtained, none of the proposed remuneration or employment arrangements for that executive will take effect.

The proposed Notice of Meeting and Explanatory Statement will be lodged with ASIC for review in accordance with the Corporations Act 2001 (Cth). Following completion of that process, the Company will provide shareholders with the Notice of Meeting and Explanatory Statement, which will contain further details of the proposed arrangements.

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

ENDS

For investor relations please contact:
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[5] Refer to footnote 4 above.
[6] Refer to footnote 4 above.

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About Kogan.com:
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Annexure A - Summary of the material terms of Mr Ruslan Kogan's employment arrangements

Matter	Proposed arrangement
Condition precedent	The terms set out below are conditional on shareholder approval of the proposed grant of Performance Rights to Mr Kogan and will take effect only if and when that approval is obtained.
Role	Mr Kogan will continue to be employed on an ongoing basis as the Company’s full-time Chief Executive Officer.
Fixed remuneration	Fixed remuneration will be reduced from Mr Kogan's current remuneration of $847,838 per annum, including superannuation, to an annual salary equal to the national minimum wage, exclusive of superannuation, from the date that shareholder approval is obtained. Mr Kogan has indicated that he will donate that salary to charity.
Short-term incentive	Mr Kogan will have no entitlement to an STI under the proposed package.
Long-term incentive	The principal component of Mr Kogan's remuneration opportunity under the proposed package will comprise 6,740,331 Performance Rights, subject to the 100% absolute TSR vesting condition described above.
Suspension	The Board is permitted to suspend Mr Kogan’s employment on rolling two week periods if it is appropriate to do so having regard to his employment obligations and duties.
Termination with notice	Either party may terminate the employment with 12 months’ notice. The Company may elect to make payment in lieu of notice and/or direct Mr Kogan on gardening leave (ie cease performing duties and remain away from work).
Termination without notice	The Company may terminate Mr Kogan’s employment without notice only on express specified grounds and where it is satisfied (acting reasonably and in good faith) that the relevant ground applies. These grounds include non-compliance with a lawful and reasonable direction; material breach of specified confidentiality, intellectual property, restraint or other material contractual obligations; serious misconduct; unlawful discrimination or sexual harassment; bankruptcy; and specified serious criminal or civil matters capable of materially adversely affecting his role or the reputation or commercial interests of the Group. They also include certain criminal charges that have, or are reasonably capable of having, those effects (subject to a supporting

	opinion from Senior Counsel). Where the relevant conduct or breach is capable of remedy, the Board must first give written notice and an opportunity to remedy it.
Restrictions	Mr Kogan will also be subject to non-compete, non-solicitation and non-dealing restraints during his employment and for up to 12 months after it ends. The restraints apply in Australia, New Zealand and other countries in which the Group has material operations, as determined by specified financial contribution thresholds. Broadly, they restrict Mr Kogan from engaging with certain online retail businesses operating in product or service categories that are material or strategically important to the Group, and from soliciting or dealing with relevant clients, suppliers or staff in a manner that may adversely affect the Group's relationships with them, subject to specified exclusions.
Directorships	Mr Kogan is required to resign from all directorships or offices he holds in relation to the Group on cessation of employment, or at any other time required by the Board. However, if Mr Kogan holds 5% or more of the ordinary shares of the Company at the relevant time, he will not be required to resign from his directorship of the Company. Instead, he will be required to seek re-election to the Board of the Company at the next general meeting of the Company.
Corporations Act and ASX Listing rules	Where shareholder approval under the Corporations Act 2001 (Cth) or the ASX Listing Rules is required in order for the Company to make any payment or provide any benefit to Mr Kogan, the Company will use its best endeavours to convene a general meeting and submit the relevant resolution to shareholders for approval.