



## facsimile

**To:** ASX Company Announcements Platform **Fax:** (02) 9347 0005  
**From:** Ravi Bains **Fax:** (02) 8225 5114  
Citigroup Global Markets Australia Pty Limited  
**Date:** 20 August 2020 **Pages:** 24 (including cover sheet)  
**Subject:** Submission of Form 603 re: Kogan.Com Ltd [KGN.AX]

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Citigroup Global Markets Australia Pty Limited ("Citi") acted as sole bookrunner and sole underwriter on a sale of 7,309,655 ordinary fully paid securities in KGN (the "Sale Securities") by **Kogan Management Pty Ltd as trustee for the Ruslan Tech Trust and Shafer Corporation Ltd as trustee for the Shafer Family Trust** (the "Sellers"). In connection with the sale, Citi entered into a block trade agreement with the Seller on 18 August 2020 (the "Agreement").

Pursuant to the operation of section 608(1), 608(8) and 606 of the Corporations Act and clause 1.1 of the Agreement, Citi gained a relevant interest of XX% of KGN's ordinary fully paid securities upon execution of the Agreement. Please find enclosed Citi's notice of initial substantial shareholder including details of its relevant interest, and a copy of the Agreement.

Citi will file a ceasing to be substantial shareholder notice following settlement of the Sale Securities.

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**Notice of initial substantial shareholder**

**Form 603  
Corporations Act  
Section 671B**

To: Kogan.Com Ltd ("KGN", Ordinary Fully Paid)

**1. Details of substantial shareholder**

Citigroup Global Markets Australia Pty Limited (ACN 003 114 832) and each of the related bodies corporate in the Citigroup group of companies worldwide (for more details please visit [www.citigroup.com](http://www.citigroup.com)).

The holder became a substantial holder on 18 August 2020.

**2. Details of voting power**

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate had a relevant interest in on the date the substantial holder became a substantial holder are as follows:

<b>Class of securities</b>	<b>Number of securities</b>	<b>Person's vote</b>	<b>Voting Power</b>
KGN, Ordinary Fully Paid	7,356,539	7,356,539	6.96%

**3. Details of relevant interests**

<b>Holder of relevant interest</b>	<b>Nature of relevant interest</b>	<b>Class and number of securities</b>
Citigroup Global Markets Australia Pty Limited	Citigroup Global Markets Australia Pty Limited entered into a block trade agreement on 18 August 2020 ("Agreement", please see attached).  Pursuant to sections 608(1), 608(8) and 606 of the Corporations Act and clause 2.1 of the Agreement, Citigroup Global Markets Australia Pty Limited obtained a relevant interest upon execution of the Agreement.	7,309,655 Stock Ordinary Fully Paid
Citigroup Global Markets Limited	Citigroup Global Markets Limited holds a relevant interest in these shares pursuant to contracts entered into in the ordinary course of business on a stock market of a stock exchange, containing no terms and conditions other than standard terms and conditions.	46,884 Stock Ordinary Fully Paid

#### 4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Class and number of securities
Citigroup Global Markets Australia Pty Limited	Citigroup Global Markets Australia Pty Limited	7,356,539 Stock Ordinary Fully Paid

#### 5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration	Class and number of securities
Citigroup Global Markets Australia Pty Limited	18 <sup>th</sup> August 2020	\$21.60	7,309,655 Stock Ordinary Fully Paid
Citigroup Global Markets Limited	Various	Various	46,884 Stock Ordinary Fully Paid

#### 6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
Citigroup Global Markets Australia Pty Limited, ACN 003 114 832	Each of the related bodies corporate in the Citigroup group of companies worldwide (for more details please visit <a href="http://www.citigroup.com">www.citigroup.com</a> ).

#### 7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Citigroup Global Markets Australia Pty Limited	Level 22, Citigroup Centre 2 Park St Sydney NSW 2000
Citigroup Global Markets Limited	Citigroup Centre Canada Square, Canary Wharf London E14 5LB

Dated this day, 20 August 2020.



Ravi Bains  
Head of Markets Compliance Australia

CITIGROUP GLOBAL MARKETS AUSTRALIA PTY LIMITED  
ABN 64 003 114 832 AFSL 240992  
A participant of ASX Group  
Level 22, Citigroup Centre, 2 Park Street, Sydney NSW 2000

TELEPHONE: 61 2 8225 4815  
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**Strictly Private and Confidential**

Kogan Management Pty Ltd as trustee for the Ruslan Tech Trust

Shafer Corporation Ltd as trustee for the Shafer Family Trust

18 August 2020

**Sale by Kogan Management Pty Ltd as trustee for the Ruslan Tech Trust and Shafer Corporation Ltd as trustee for the Shafer Family Trust ("Vendors") of ordinary shares in Kogan.com Limited ("Company")**

**1. The Sale**

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- 1.1 **Sale and Sale Price.** The Vendors agree to sell 7,309,655 fully paid ordinary shares in the Company held by the Vendors (with the number of such fully paid ordinary shares in the Company to be sold by each Vendor as set out in Schedule 1) ("**Sale Securities**") and Citigroup Global Markets Australia Pty Limited (ACN 003 114 832) ("**Citi**" or "**Lead Manager**") agrees, on an exclusive basis and subject to the terms of this Agreement, to:
- (a) manage the sale of the Sale Securities by conducting a bookbuild process (the "**Bookbuild**") in accordance with clause 1.2 to procure purchasers for the Sale Securities, with the sale price (the "**Sale Price**") in respect of the Sale Securities to be determined following the Bookbuild, provided that the Sale Price will not be less than A\$21.60 per Sale Security (the "**Underwritten Floor**"); and
  - (b) underwrite and guarantee the sale of any Sale Securities and to purchase, itself or through one or more of their respective Affiliates, those Sale Securities not taken up by purchasers as part of the Bookbuild under clause 1.2 (a) as at the Bookbuild Closing Time (as set out in the timetable in Schedule 2 of this Agreement ("**Timetable**") (the closing time of which may be varied by the Lead Manager to no later than the time stated in the Timetable) ("**Shortfall Securities**") at the Sale Price (as determined under clause 1.1(a) above).
- Purchasers may include related bodies corporate and Affiliates of the Lead Manager and may be determined by the Lead Manager in its discretion. This may include, for the avoidance of doubt, bidding for or acquiring Sale Securities in connection with a total return swap or other derivative transaction entered to with any investor (or any of its associates) who received an allocation in the Sale.
- 1.2 **Bookbuild.** The Lead Manager must conduct the Bookbuild for the Sale in accordance with the Timetable and use its best endeavours to maximise the Sale Price for the Sale Securities that are to be sold under the Bookbuild. Following the Bookbuild, and prior to allocation of the Sale Securities, the Sale Price will be determined by the Lead Manager (acting reasonably) in consultation with the Vendors. The Sale Price will not be less than the Underwritten Floor.
- 1.3 **Timetable.** The parties agree to conduct the Sale in accordance with the Timetable (unless the parties consent in writing to a variation).
- 1.4 **Manner of sale.** The Sale will be conducted by the Lead Manager by way of an offer only to persons that the Lead Manager reasonably believes:

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- (a) if in Australia, are persons who do not need disclosure under Part 6D.2 or Part 7.9 of the *Corporations Act 2001 (Cth)* ("**Corporations Act**");
- (b) if in the United States, are dealers or other professional fiduciaries organised, incorporated or (if an individual) resident in the United States that are acting for an account (other than an estate or trust) held for the benefit or account of persons that are not "U.S. Persons" (as defined in Rule 902(k) under the US Securities Act of 1933 (the "**US Securities Act**")), for which they have and are exercising investment discretion (within the meaning of Rule 902(k)(2)(i)) in reliance on Regulation S under the US Securities Act ("**Regulation S**");
- (c) if outside Australia, are persons to whom offers for sale of securities may lawfully be made without requiring the preparation, delivery, lodgement or filing of any prospectus or other disclosure document or any other lodgement, registration or filing with, or approval by, a government agency (other than any such requirement with which the Vendors, in their sole and absolute discretion, are willing to comply); and
- (d) in each case of (a) and (c) above, are persons that are not in the United States, in "offshore transactions" (as defined and in reliance on Regulation S).
- 1.5 **Confirmations.** Any person that purchases Sale Securities will be required to confirm, including through deemed representations and warranties, among other things:
- (a) its status as a person who meets the requirements of clause 1.4; and
- (b) its compliance with all relevant laws and regulations in respect of the Sale (including the takeover and insider trading provisions of the *Corporations Act* and the *Foreign Acquisitions and Takeovers Act 1975 (Cth)* ("**FATA**")).
- 1.6 **Account Opening.** On the date of this Agreement, Citi or its Affiliate will (where relevant) open an account in the name of each of the Vendors in accordance with its usual practice and do all such things as necessary to enable it to act as broker to sell the Sale Securities at the Sale Price, in accordance with this Agreement.

## 2. Settlement of Sale Securities

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- 2.1 **Sale and Settlement Date.** The Lead Manager must procure that the Sale is effected on the Trade Date (as defined in the Timetable) by way of one or more special crossings in accordance with the ASX Settlement Operating Rules and ASX Operating Rules, at the Sale Price, with settlement to follow on a T+2 basis ("**Settlement Date**").
- 2.2 **Payment.** Subject to clause 5, by 3:00pm (Sydney time) on the Settlement Date, the Lead Manager must pay or procure the payment to each Vendor an amount equal to the Sale Price multiplied by the number of Sale Securities being sold by the relevant Vendor, less any fees payable to the Lead Manager pursuant to clause 3 by transfer to the relevant Vendor's account for value (in cleared funds) against delivery of the Sale Securities sold by the relevant Vendor (together, "**Sale Proceeds**").
- 2.3 **Delivery of Sale Securities.** Each Vendor agrees to instruct its custodian to deliver the Sale Securities held by its custodian on its behalf to the Lead Manager or as the Lead Manager directs.
- 2.4 **Interest in purchased Sale Securities.** If the Lead Manager is required to or does purchase any Sale Securities, the Vendors specifically consent and acknowledge that the Lead Manager will be acting as principal and not as agent in relation to its purchase of the Sale Securities.
- 2.5 **Obligations cease.** The Lead Manager's obligations under this Agreement cease on payment of the Sale Proceeds to the Vendors in accordance with clause 2.2.

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### 3. Fees

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In consideration of performing its obligations under this Agreement, the Lead Manager shall be entitled to such fees as agreed between the Lead Manager and the Vendors.

### 4. Representations, warranties and undertakings

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- 4.1. **Representations, warranties and undertakings of the Vendors.** Each of the Vendors represents, warrants and undertakes to the Lead Manager on a several basis in relation to itself only that as at the date of this Agreement and at all times until and including the Settlement Date, that:
- (a) **(body corporate)** it is a body corporate validly existing and duly established under the laws of its place of incorporation;
  - (b) **(no conflict)** no person has a conflicting right, whether contingent or otherwise, to purchase or be offered for purchase the Sale Securities, or any of them;
  - (c) **(agreement effective)** this Agreement constitutes the Vendor's legal, valid and binding obligations, enforceable against it in accordance with its terms;
  - (d) **(control)** the Vendor does not control the Company. In this clause 4.1(d) "**control**" has the meaning given in section 50AA of the Corporations Act;
  - (e) **(ownership)** the Vendor is the sole beneficial owner of the Sale Securities it is selling as noted in Schedule 1 and the Vendor's custodian is the registered holder and sole legal owner of such Sale Securities;
  - (f) **(no encumbrances)** the Vendor will transfer, in accordance with the terms of this Agreement, the full legal and beneficial ownership of the Sale Securities free and clear of all liens, charges, security interests, claims, equities and pre-emptive rights, subject to the registration of the transferee(s) in the register of shareholders of the Company;
  - (g) **(ranking of Sale Securities)** the Sale Securities rank equally with all other ordinary shares in the Company for all dividends, distributions, rights and other benefits in accordance with the Company's constitution and may be offered for sale on the financial market operated by ASX without disclosure to investors under Chapter 6D or Part 7.9 of the Corporations Act;
  - (h) **(quotation of Sale Securities)** the Sale Securities are quoted on the financial market operated by the ASX;
  - (i) **(information provided)** to the best of the Vendor's knowledge after due and proper enquiry, all information provided by the Vendor to the Lead Manager, whether verbally or in writing, in relation to the Sale, is true and correct in all material respects, contains no omissions and is not misleading or deceptive whether by omission or otherwise;
  - (j) **(compliance with constitution, laws, rules, regulations and agreements)** in relation to the Sale and the performance of its obligations under this Agreement, the Vendor has complied with and will comply with the Company's constitution, its constitution, all applicable obligations under the Corporations Act, the ASX Listing Rules, FATA, any legally binding requirement of ASIC or ASX and all other applicable laws, rules and regulations and any agreements or instruments binding on it;

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- (k) **(inside information)** the Vendor does not possess any "inside information" (as that term is defined in section 1042A of the Corporations Act) in relation to the Company or the Sale Securities, except information relating to the Sale, and the Sale will not result in a contravention by the Vendor (or its Affiliates) of Division 3 of Part 7.10 of the Corporations Act;
- (l) **(with respect to US securities law)**
- (i) **(not an investment company)** to the Vendor's knowledge, the Company is not registered, nor required to register, as an "investment company" under the US Investment Company Act of 1940;
  - (ii) **(foreign private issuer)** to the Vendor's knowledge, the Company is a "foreign private issuer" (as defined in Rule 405 under the US Securities Act);
  - (iii) **(no substantial U.S. market interest)** to the Vendor's knowledge, there is no "substantial U.S. market interest" (as defined in Regulation S) in the ordinary shares of the Company;
  - (iv) **(no directed selling efforts in the United States)** with respect the Sale Securities, neither the Vendor nor any of its Affiliates or any person acting on behalf of any of them (other than the Lead Manager or its Affiliates or any person acting on behalf of any of them, as to whom the Vendor makes no representation) has engaged or will engage in any "directed selling efforts" (as defined in Regulation S);
- (m) **(no stabilisation or manipulation)** none of the Vendor or any of its Affiliates, or any person acting on behalf of any of them (other than the Lead Manager or its Affiliates or any person acting on behalf of any of them, as to whom the Vendor makes no representation), has taken or will take, directly or indirectly, any action designed to, or that might reasonably be expected to, cause or result in the stabilization or manipulation of the price of the securities of the Company in violation of any applicable law;
- (n) **(compliance with sanctions)** none of the Vendor nor any of its directors, officers, employees or subsidiaries nor, to the knowledge of the Vendor, any agent, or Affiliate of the Vendor or other person associated with or acting on behalf of the Vendor or any of its subsidiaries is currently subject or the target of any sanctions administered or enforced by the U.S. Government, (including, without limitation, the Office of Foreign Assets Control of the US Department of the Treasury or the U.S. Department of State and including, without limitation, the designation as a "specially designated national" or "blocked person"), the United Nations Security Council, the European Union, Her Majesty's Treasury, any similar Australian sanctions administered by the Commonwealth of Australia or other relevant sanctions authority (collectively, "**Sanctions**"), nor is the Vendor or any of its subsidiaries located, organized or resident in a country or territory that is the subject or the target of Sanctions (each, a "**Sanctioned Country**") and the Vendor will not directly or indirectly use the Sale Proceeds, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject or the target of Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country or (iii) in a manner that would result in a violation by any person (including any person participating in the transaction, whether as underwriter, advisor, investor or otherwise) of Sanctions;

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- (o) **(compliance with anti-money laundering laws)** the operations of the Vendor and its subsidiaries are and have been conducted at all times in compliance with all applicable money laundering statutes of Australia and all other applicable jurisdictions where the Vendor, the Company or any of their respective subsidiaries conducts business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental or regulatory agency (collectively, the "**Money Laundering Laws**") and no action, suit or proceeding by or before any court or governmental authority or body or any arbitrator involving the Vendor or any of its subsidiaries or, to the best knowledge of the Vendor, involving the Company or any of its subsidiaries, with respect to the Money Laundering Laws is pending or, to the best knowledge of the Vendor, threatened;
- (p) **(compliance with anti-bribery laws)** none of the Vendor nor any of its subsidiaries nor any director, officer or employee of the Vendor or any of its subsidiaries nor, to the knowledge of the Vendor, any agent or Affiliate of the Vendor or other person associated with or acting on behalf of the Vendor or any of its subsidiaries has (i) used any funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) made or taken an act in furtherance of an offer, promise or authorisation of any direct or indirect unlawful payment or benefit to any foreign or domestic government or regulatory official or employee, including of any government-owned or controlled entity or of a public international organisation, or any person acting in an official capacity for or on behalf of any of the foregoing, or any political party or party official or candidate for political office; (iii) violated or is in violation of any provision of the Foreign Corrupt Practices Act of 1977, as amended, or any applicable law or regulation implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, or committed an offence under the Bribery Act 2010 of the United Kingdom, or any other applicable anti-bribery or anti-corruption laws; or (iv) made, offered, agreed, requested or taken an act in furtherance of any unlawful bribe or other unlawful benefit, including, without limitation, any rebate, payoff, influence payment, kickback or other unlawful or improper payment or benefit. The Vendor and its subsidiaries have instituted, and maintain and enforce, policies and procedures designed to promote and ensure compliance with all applicable anti-bribery and anti-corruption laws; and
- (q) **(notification of breach)** the Vendor will immediately notify the Lead Manager of any breach of any warranty, representation or undertaking given by it under this agreement, any material change affecting any of these warranties, representations or undertakings, or any of these warranties and representations becoming materially untrue or materially incorrect.

#### 4.2. **Representations and warranties in respect of Kogan Management Pty Ltd's ("Kogan Management") power and authority in respect of the Ruslan Tech Trust**

Kogan Management represents and warrants to the Lead Manager as at the date of this Agreement and at all times until and including the Settlement Date, that:

- (a) **(valid trust)** the Ruslan Tech Trust is a validly subsisting trust, has not been terminated, nor is there any proposal or requirement to wind up, terminate, reconstitute or resettle the Ruslan Tech Trust;
- (b) **(power)** it has been validly appointed as a trustee of the Ruslan Tech Trust, it has the power under the constitution of the Ruslan Tech Trust and the Corporations Act to enter into and perform its obligations under this Agreement, and nothing in the constitution of the Ruslan Tech Trust will prevent Kogan Management from entering into, or performing its obligations under, this Agreement;

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- (c) **(authorisation)** all necessary resolutions have been duly passed and all consents, approvals and other procedural matters have been or will be, obtained or attended to, as required by the constitution of the Ruslan Tech Trust or otherwise, for the entry into and performance by Kogan Management of its obligations under this Agreement; and
- (d) **(indemnity)** it is entitled to be fully indemnified in respect of any liability arising under or in connection with the proper performance of its rights and obligations that relate to transactions contemplated by this agreement, out of the assets of the Ruslan Tech Trust and that right has not been modified, released or diminished in any way and the assets of the Ruslan Tech Trust are sufficient to satisfy expected liabilities in full.

4.3. **Representations and warranties in respect of Shafer Corporation Ltd's ("Shafer Corporation") power and authority in respect of the Shafer Family Trust**

Shafer Corporation represents and warrants to the Lead Manager as at the date of this Agreement and at all times until and including the Settlement Date, that:

- (a) **(valid trust)** the Shafer Family Trust is a validly subsisting trust, has not been terminated, nor is there any proposal or requirement to wind up, terminate, reconstitute or resettle the Shafer Family Trust;
- (b) **(power)** it has been validly appointed as a trustee of the Shafer Family Trust, it has the power under the constitution of the Shafer Family Trust and the Corporations Act to enter into and perform its obligations under this Agreement, and nothing in the constitution of the Shafer Family Trust will prevent Shafer Corporation from entering into, or performing its obligations under, this Agreement;
- (c) **(authorisation)** all necessary resolutions have been duly passed and all consents, approvals and other procedural matters have been or will be, obtained or attended to, as required by the constitution of the Shafer Family Trust or otherwise, for the entry into and performance by Shafer Corporation of its obligations under this Agreement; and
- (d) **(indemnity)** it is entitled to be fully indemnified in respect of any liability arising under or in connection with the proper performance of its rights and obligations that relate to transactions contemplated by this agreement, out of the assets of the Shafer Family Trust and that right has not been modified, released or diminished in any way and the assets of the Shafer Family Trust are sufficient to satisfy expected liabilities in full.

4.4. **Moratorium**

- (a) Each Vendor represents and warrants that it will not, unless otherwise waived or agreed to by the Lead Manager in writing, at any time on and from the date of this Agreement and up to and including the date that is 90 days after the Settlement Date (the "**Escrow Period**"), Deal in all or any of the fully paid ordinary shares in the Company ("**Securities**") held by it ("**Remaining Securities**") after the Sale of the Sale Securities pursuant to this Agreement, excluding:
- (i) transactions in order to satisfy demand from eligible shareholders under a Company initiated dividend investment plan (if any);
- (ii) a repurchase (whether by buy-back, reduction of capital or other means) of Securities by the Company;

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- (iii) any acceptance by the Vendor of a takeover offer for the Company in accordance with Chapter 6 of the Corporations Act or transfer pursuant to a scheme of arrangement under Part 5.1 of the Corporations Act;
  - (iv) a sale, transfer or disposal to a third party where it is a condition of the sale that the third party announce an intention to acquire, or propose a transaction to acquire, greater than 50% of the Securities in the Company;
  - (v) a sale, transfer or disposal to an Affiliate of the Vendor that is subject to a representation or warranty on substantially the same terms as this clause 4.44 in respect of the Remaining Securities sold, transferred or disposed. For the avoidance of doubt, any agreement by the Affiliate will be in respect of the residual term of the Escrow Period.
- (b) Each party to this Agreement acknowledges that the representation and warranty in this clause 4.4 is not intended to and does not give the Lead Manager any power to dispose of, or control the disposal of, the Remaining Securities the subject of the representation and warranty to the extent that the Lead Manager would be in breach of applicable laws to have such power, and a breach of the representation and warranty in those circumstances will only give rise to a right to damages and the parties acknowledge that, in such circumstances, damages are an adequate remedy for breach of the representation and warranty.
- (c) Each party acknowledges that the representation and warranty in this clause 4.44 has been provided to only address the financial consequences of the Vendors disposing of, or dealing with, any Remaining Securities. The parties acknowledge that the Lead Manager is not entitled to a remedy of specific performance for a breach of the representation and warranty in this clause 4.44.
- (d) For the purposes of this clause 4.44, "**Deal**" in respect of the Remaining Securities means:
- (i) sell, assign, transfer or otherwise dispose of;
  - (ii) agree to offer to sell, assign, transfer or otherwise dispose of;
  - (iii) enter into any option which, if exercised (whether such exercise is subject to conditions or otherwise), enables or requires the Vendor to sell, assign, transfer or otherwise dispose of; or
  - (iv) decrease or agree to decrease an economic interest in,
- the Remaining Securities.
- 4.5. **Representations and warranties of the Lead Manager.** The Lead Manager represents and warrants to the Vendors that at the date of this Agreement and at all times until the Settlement Date, each of the following statements is true and accurate and not misleading in any way:
- (a) **(body corporate)** it is a body corporate validly existing and duly established under the laws of its place of incorporation;
  - (b) **(capacity and authority)** it has the full legal capacity, corporate authority and power to enter into this Agreement and carry out the transactions contemplated by this Agreement;

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- (c) **(agreement effective)** this Agreement constitutes its legal, valid and binding obligations, enforceable against it in accordance with its terms;
- (d) **(US offer restrictions)** it acknowledges and agrees that the offer and sale of the Sale Securities have not been, and will not be, registered under the US Securities Act and that the Sale Securities may only be offered or sold in "offshore transactions" in accordance with Regulation S;
- (e) **(no directed selling efforts in the United States)** with respect to the Sale Securities, neither it nor any of its Affiliates or any person acting on behalf of any of them has engaged or will engage in any "directed selling efforts" (as that term is defined in Regulation S); and
- (f) **(notification of breach)** it will immediately notify the Vendors of any breach of any warranty or representation given by it under this Agreement, any material change affecting any of these warranties and representations, or any of these warranties and representations becoming materially untrue or materially incorrect.
- 4.6. **Reliance.** Each party giving a representation and warranty and undertaking acknowledges that the other party has relied on the representations, warranties and undertakings in this clause 4 in entering into this Agreement and will continue to rely on these representations, warranties and undertakings in performing its obligations under this Agreement. The representations, warranties and undertakings in this clause 4 continue in full force and effect notwithstanding completion of this Agreement.
- 4.7. **Notification.** Each party agrees that it will tell the other parties immediately upon becoming aware of any of the following occurring prior to the completion of the sale of the Sale Securities:
- (a) any change affecting any of the foregoing representations and warranties; or
- (b) any of the foregoing representations or warranties becoming untrue or incorrect.
- 4.8. **Disclosure to potential purchasers.** The Vendors authorise the Lead Manager to notify potential purchasers of the Sale Securities that the Vendors have made the representations, warranties and undertakings contained in clause 4.1 of this Agreement and also authorises the Lead Manager to disclose the identity of the Vendors to potential purchasers.

## 5. Termination

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- 5.1. If any of the following events occurs during the Risk Period (as defined in clause 5.3), then the Lead Manager may terminate its obligations under this Agreement without cost or liability to itself at any time before the expiry of the Risk Period by giving written notice to the Vendors:
- (a) **ASX actions.** ASX does any of the following:
- (i) removes the Company from the official list of ASX or announces or makes a statement to any person that the Company will be removed from the official list of ASX; or
- (ii) suspends the trading of the Securities for any period of time, or announces that the Securities will be suspended from quotation, other than any trading halt, or announcement of a trading halt, made in accordance with the Timetable or otherwise with the agreement of the JLMs;

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- (b) **ASIC inquiry into Sale.** ASIC issues or threatens to issue proceedings in relation to the Sale or commences, or threatens to commence any inquiry in relation to the Sale.
- (c) **Other termination events.** Subject to clause 5.2, any of the following occurs:
- (i) **Banking moratorium.** A general moratorium on commercial banking activities in Australia, United States, Singapore or United Kingdom is declared by the relevant central banking authority in any of those countries, or there is a material disruption in commercial banking or security settlement or clearance services in any of those countries.
  - (ii) **Breach of Agreement.** The Vendor fails to observe or perform any of the terms and conditions of this Agreement or any representation or warranty or undertaking given or made by it under this Agreement proves to be, or has been, or becomes, untrue or incorrect.
  - (iii) **Change in laws.** There is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of the Commonwealth of Australia or any State or Territory of Australia a new law, or the Government of Australia, any State or Territory of Australia, or any Minister or other government authority in Australia or any State or Territory of Australia, adopts or announces a proposal to adopt a new policy (other than a law or policy which has been announced before the date of this Agreement);
  - (iv) **Markets.** Trading in all securities quoted or listed on ASX, the Hong Kong Stock Exchange, the London Stock Exchange, the Singapore Stock Exchange or the New York Stock Exchange is suspended or there is a material limitation of trading in those exchanges.
  - (v) **Hostilities.** There is an outbreak or major escalation of hostilities in any part of the world, whether war has been declared or not, involving one or more of any one or more of Australia, United States, United Kingdom, Japan, Hong Kong, Singapore or any member country of the European Union, or a significant act or acts of terrorism is perpetrated against any of those nations anywhere in the world.
- 5.2. No event listed in clause 5.1(c) entitles the Lead Manager to exercise its termination rights unless, in the reasonable opinion of the Lead Manager, it:
- (a) has, or could reasonably be expected to have, a material adverse effect on:
    - (i) the willingness of persons to purchase Sale Securities; or
    - (ii) the price at which securities in the same class as Sale Securities are sold on the ASX; or
  - (b) gives rise to, or could be expected to give rise to, a contravention by, or liability of, the Lead Manager under the Corporations Act or any other applicable law.
- 5.3. For the purposes of this clause, the "**Risk Period**" means the period commencing on the execution of this Agreement and ending at the time of the special crossing referred to in clause 2.1 or where there is more than one special crossing under clause 2.1, at the time of the special crossing relating to the last of the Sale Securities to be transferred.

## 6. Indemnity

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- 6.1. The Vendors indemnify the Lead Manager, its respective related bodies corporate (as that term is defined in the Corporations Act) and Affiliates and each of their respective directors, officers, employees, agents and advisers (each an "**Indemnified Person**") and will keep each Indemnified Person indemnified from all losses, costs, damages, liabilities, claims, actions, demands and expenses (including reasonable legal expenses) ("**Losses**") sustained or incurred by an Indemnified Person as a result of, directly or indirectly, or in connection with, the Sale or any breach by the Vendors of this Agreement.
- 6.2. The indemnity in the preceding clause does not extend to and is not to be taken as an indemnity against any Losses of an Indemnified Person to the extent to which any Loss is finally determined by a court of competent jurisdiction:
- (a) to have resulted directly from:
    - (i) the fraud, recklessness, wilful default or gross negligence of or by any Indemnified Person; or
    - (ii) any penalty or fine which an Indemnified Person is required to pay for any contravention of any law except to the extent such contravention is caused by the Vendors or its directors, officers, employees or representatives; or
  - (b) to be an amount in respect of which the indemnity would be illegal, void or unenforceable under any applicable law,

and provided further that the indemnity in clause 6.1 does not extend to and will not be deemed to be an indemnity against any Losses suffered by an Indemnified Person to the extent that the Losses relate to any amount the Indemnified Person must pay under clause (a), including any Losses on resale of the Shortfall Securities.

- 6.3. The Vendors agree that, except to the extent that the Losses are incurred as a result of any of the matters listed in clause 6.2, no claim may be made against any Indemnified Person and the Vendors unconditionally and irrevocably release and discharge each Indemnified Person from any Claim that may be made by it to recover from the Indemnified Person any Losses suffered or incurred by the Vendors arising directly or indirectly as a result of or in connection with the participation of that Indemnified Person in the Sale. The Vendors further agree that no claim may be made by it against any officer, employee, adviser or agent of the Lead Manager or any officer, employee, adviser or agent of a related body corporate or Affiliate of the Lead Manager (together, the "**Released Parties**"), and the Vendors unconditionally and irrevocably release and discharge each Released Party from any claim that may be made by them, to recover from any Released Party any Loss incurred or sustained by the Vendors arising directly or indirectly as a result of the participation of that Released Party in the Sale.
- 6.4. To the extent permitted by law, the Lead Manager will notify the Vendors as soon as reasonably practicable of any proceeding being commenced, or any claim or action being made against the Lead Manager or an Indemnified Person which is reasonably likely to give rise to a claim against the Vendors pursuant to the indemnity in clause 6.1. Failure on the part of the Lead Manager to notify the Vendors in accordance with the preceding sentence will not release the Vendors from any obligation or liability which it may have pursuant to this Agreement except that, if the Lead Manager's failure to notify under the preceding sentence directly results in a defence no longer being available to the Vendors or a material increase in the amount payable by the Vendors under the indemnity in clause 6.1, the amount payable to the Indemnified Person under the indemnity in clause 6.1 will be reduced by the extent to which the Vendors has suffered loss or damage as a consequence of that failure. Each of the Vendors, the Lead Manager and the Indemnified Persons must not settle any action, demand or claim to which the indemnity in clause 6.1 relates without the prior written consent of the Vendors (for the Lead Manager and the Indemnified Persons), or the Lead Manager (for the Vendors), such consent not to be unreasonably withheld.

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- 6.5. Subject to clause 6.6, the parties agree that if for any reason the indemnity in clause 6.1 is unavailable or insufficient to hold harmless any Indemnified Party against any Losses against which the Indemnified Party is stated to be indemnified (other than expressly excluded), the respective proportional contribution of the Vendors and the Indemnified Party or the Indemnified Party in relation to the relevant Losses will be as agreed, or failing agreement as determined by a court of competent jurisdiction.
- 6.6. The Vendors agree with each of the Indemnified Parties that in no event will the Lead Manager be required to contribute under clause 6.5 any Losses, in aggregate, in an amount that exceeds the aggregate of the fees paid to the Lead Manager under this agreement.
- 6.7. If an Indemnified Party pays an amount in relation to Losses where it is entitled to contribution from the Vendors under clause 6.5, the Vendors agree promptly to reimburse the Indemnified Party for that amount.
- 6.8. The indemnity in clause 6.1 is a continuing obligation, separate and independent from the other obligations of the parties under this Agreement and survives termination or completion of this Agreement. It is not necessary for the Lead Manager to incur expense or make payment before enforcing that indemnity.
- 6.9. The Vendors agree that the Lead Manager holds the benefits of clause 6 for itself and on trust for each of the Indemnified Persons.

## **7. Announcements**

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- 7.1. The Vendors and the Lead Manager will consult each other in respect of any public releases by any of them concerning the Sale. The prior written consent of the Vendors or the Lead Manager (respectively) must be obtained prior to the Lead Manager or the Vendors making any release or announcement or engaging in publicity in relation to the Sale and such release, announcement or engagement must be in compliance with all applicable laws, including the securities laws of Australia, the United States and any other jurisdiction.
- 7.2. For the avoidance of doubt, the Vendors acknowledges that the Lead Manager may, after completion of the special crossing(s) on the Trade Date under clause 2.1, describe or refer to its involvement in the Sale in any pitch, case study, presentation or other similar marketing materials which the Lead Manager uses as part of its ordinary course investment banking and/or capital markets business, provided that the content is public or otherwise free from restrictions as to its use.

## **8. Confidentiality**

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- 8.1. Each party agrees to keep the terms and subject matter of this Agreement confidential for a period of 12 months after the date of this Agreement, except:
- (a) where disclosure is required by applicable law, a legal or regulatory authority or the ASX Listing Rules;
  - (b) where disclosure is made to an Affiliate of the party or an adviser or to a person who must have access to the information for the purposes of the Agreement, on the basis that the, Affiliate, adviser or other person keeps the information confidential; and
  - (c) where disclosure is reasonably necessary in connection with any actual or potential claim or investigation or judicial or administrative process involving that party in relation to the Sale.

## 9. Miscellaneous

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- 9.1. **Entire agreement.** This Agreement, account opening and client documentation completed by the Vendors, any separate agreement relating to fees and the Lead Manager's Terms of Business as provided to the Vendors ("**Terms**"), constitute the entire agreement of the parties about its subject matter and supersedes all previous agreements, understandings and negotiations on that matter. To the extent of any inconsistency between the terms of this agreement and the Terms, this agreement prevails.
- 9.2. **Jurisdiction.** The laws of the state of New South Wales govern this Agreement. Each party agrees to submit to the exclusive jurisdiction of the courts of that State, and waives any right to claim that those courts are an inconvenient forum.
- 9.3. **Continuing obligations.** Each warranty, representation, undertaking and indemnity made in this Agreement is a continuing obligation which continues in full force after the date of the cessation of this Agreement.
- 9.4. **Severability.** Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction will be ineffective as to that jurisdiction to the extent of the prohibition or unenforceability. That will not invalidate the remaining provisions of this Agreement nor affect the validity or enforceability of that provision in any other jurisdiction.
- 9.5. **Waiver and variation.** A provision of or right vested under this Agreement may not be:
- (a) waived except in writing signed by the party granting the waiver; or
  - (b) varied except in writing signed by the parties.
- 9.6. **No merger.** The rights and obligations of the parties will not merge on the termination or expiration of this Agreement. Any provision of this Agreement remaining to be performed or observed by a party (such as any indemnity), or having effect after the termination of this Agreement for whatever reason (such as any representation or warranty or undertaking) remains in full force and effect and is binding on that party.
- 9.7. **No assignment.** The Vendors must not assign their rights or obligations under this Agreement without the prior written consent of the Lead Manager.
- 9.8. **Conflict of interest.** A party's rights and remedies under this Agreement may be exercised even if this involves a conflict of duty or the party has a personal interest in their exercise.
- 9.9. **Remedies cumulative.** The rights and remedies of a party provided in this Agreement are in addition to other rights and remedies given by law independently of this Agreement
- 9.10. **Notices.** Any notice, approval, consent, agreement, waiver or other communication in connection with this Agreement must be in writing and sent to a party at the address for that party set out in this Agreement, marked for the attention of any individual signing this Agreement on behalf of that party.
- 9.11. **Interpretation.** In this Agreement:
- (a) headings and sub-headings are for convenience only and do not affect interpretation;

- (b) a reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it;
- (c) a reference to "**dollars**" and "**\$**" is to Australian currency;
- (d) a reference to a right or obligation of any 2 or more persons confers that right, or imposes that obligation, severally and not jointly or jointly and severally; and
- (e) all references to time are to Sydney, New South Wales, Australia time.

9.12. **Definitions.** In this Agreement:

- (a) an "**Affiliate**" of any person means any other person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such person; "**control**" (including the terms "**controlled by**" and "**under common control with**") means the possession, direct or indirect, of the power to direct or cause the direction of the management, policies or activities of a person, whether through the ownership of securities, by contract or agency or otherwise and the term "**person**" is deemed to include a partnership.
- (b) "**ASIC**" means the Australian Securities and Investments Commission.
- (c) "**ASX**" means ASX Limited and also, as the context requires, the securities market operated by ASX.
- (d) "**Business Day**" means a day on which:
  - (i) ASX is open for trading in securities; and
  - (ii) banks are open for general banking business in Sydney, Australia.

9.13. **Counterparts.** This Agreement may be executed in any number of counterparts. All counterparts together will be taken to constitute one agreement. A party may sign this Agreement or any counterpart by facsimile or PDF, and the facsimile or PDF shall be accepted as an original.

9.14. **No fiduciary relationship.** The parties acknowledge and agree that (A) this Agreement and the performance of this Agreement, (B) any prior relationship between the parties, or (C) any services provided or representations made by either the Lead Manager to the Vendors in connection with the Sale or otherwise prior to the date of this Agreement, do not represent or imply any fiduciary relationship or any other category of commercial relationship recognised at law or in equity as giving rise to forms of specific rights and obligations, except the contractual rights expressly set out in this Agreement. In providing the services under this Agreement, the Lead Manager will be acting solely pursuant to a contractual relationship with the Vendors on an arm's length basis and will not be acting as fiduciary to the Vendors or any other person. By entering into this Agreement the Vendors will be deemed to have provided their informed consent to the exclusion of any such fiduciary relationship or duty.

9.15. **Investment banking activities.** The Vendors acknowledge that the Lead Manager and its related bodies corporate and Affiliates ("**Lead Manager Group**") comprise a full service securities firm and commercial bank engaged in securities trading and brokerage activities, as well as providing investment banking, asset management, financing, and financial advisory services and other commercial and investment banking products and services to a wide range of companies and individuals. In the ordinary course of these activities, the Lead Manager Group and Lead Manager Group employees and officers may at any time hold long or short positions, and may trade or

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otherwise effect transactions, for its own account or the accounts of customers, in debt or equity securities or senior loans or other financial products of the Vendors, the Company or any other party that may be involved in the Sale and the Vendors hereby consents to the Lead Manager Group and Lead Manager Group employees and officers undertaking such activities (A) without regard to the relationship with the Vendors established by this Agreement, and (B) regardless of any conflict of interest (whether actual, perceived or potential) that may arise as a result of such activity.

- 9.16. **GST.** The Vendors must pay to the Lead Manager any goods and services tax, value added tax or other similar tax ("**GST**") payable by the Lead Manager or an associated entity as a result of a supply made by the Lead Manager under or in connection with this Agreement. Any fee or other consideration for supplies made under or in connection with this Agreement are agreed to be exclusive of GST unless expressly provided to be inclusive of GST. The Lead Manager must provide to the Vendors a valid tax invoice as a precondition to payment and any amount payable under this clause must be paid with 7 days of receipt of the tax invoice.
- 9.17. **Recognition of the US Special Resolution Regimes.** In the event that the Lead Manager is a Covered Entity and becomes subject to a proceeding under a US Special Resolution Regime, the transfer from the Lead Manager of this Agreement, and any interest and obligation in or under this agreement, will be effective to the same extent as the transfer would be effective under the US Special Resolution Regime if this Agreement, and any such interest and obligation, were governed by the laws of the United States or a state of the United States.

In the event that the Lead Manager is a Covered Entity and becomes, or a BHC Act Affiliate of the Lead Manager becomes, subject to a proceeding under a US Special Resolution Regime, Default Rights under this Agreement that may be exercised against the Lead Manager are permitted to be exercised to no greater extent than such Default Rights could be exercised under the US Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States.

As used in this Clause 9.17:

**BHC Act Affiliate** has the meaning assigned to the term "affiliate" in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k).

**Covered Entity** means any of the following:

- (i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);
- (ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or
- (iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

**Default Right** has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

**US Special Resolution Regime** means each of (i) the Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder.

- 9.18. **Several liability of the Vendors.** Liability between the Vendors in relation to the performance of their obligations under, inter alia, the representations, warranties and undertakings set out in this Agreement shall be on a several basis and not joint or joint and several.

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Yours sincerely

**Signed** on 18 August 2020

for **Citigroup Global Markets Australia Pty Limited**

under power of attorney in the presence of:

\_\_\_\_\_  
Signature of Attorney

\_\_\_\_\_  
Signature of Witness

\_\_\_\_\_  
Name (please print)

\_\_\_\_\_  
Name (please print)

\_\_\_\_\_  
Signature of Attorney

\_\_\_\_\_  
Signature of Witness

\_\_\_\_\_  
Name (please print)

\_\_\_\_\_  
Name (please print)

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**Accepted by Kogan Management Pty Ltd as trustee for the Ruslan Tech Trust:**

**Signed** on 18 August 2020



Signature of Authorised Representative  
(who by executing this agreement represents  
that they are duly authorised to sign on behalf  
of Kogan Management Pty Ltd as trustee for the Ruslan Tech Trust)

Ruslan Kogan

Name (please print)



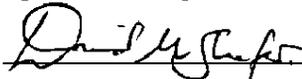
Signature of Witness

David Shafer

Name (please print)

**Accepted by Shafer Corporation Pty Ltd as trustee for the Shafer Family Trust:**

**Signed** on 18 August 2020



Signature of Authorised Representative  
(who by executing this agreement represents  
that they are duly authorised to sign on behalf  
of Shafer Corporation Pty Ltd as trustee for the Shafer Family Trust)

David Shafer

Name (please print)



Signature of Witness

Ruslan Kogan

Name (please print)

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**SCHEDULE 1**

**Vendors**

<b>Name of Vendor</b>	<b>Number of Sale Shares</b>
Kogan Management Pty Ltd as trustee for the Ruslan Tech Trust	5,284,441
Shafer Corporation Pty Ltd as trustee for the Shafer Family Trust	2,025,214

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**SCHEDULE 2****Timetable**

<b>Event</b>	<b>Date</b>
<b>Clause 1.2:</b> Commencement of Bookbuild	4.30pm, 18 August 2020
<b>Clause 1.2:</b> Bookbuild Closing Time	6.30pm, 18 August 2020
<b>Clause 2.1:</b> Trade Date	18 August 2020 (T)
<b>Clause 2.1:</b> Settlement Date	20 August 2020 (T+2)

\*The Bookbuild Closing Time may be extended by the Lead Manager at its discretion, to no later than 8.45am on 19 August 2020.

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