



Business Update

Melbourne, Australia; 25 June 2020: Redbubble Limited (ASX: RBL) which owns and operates Redbubble and TeePublic, the leading global marketplaces for independent artists, today provides a business update.

The financial information is from internal management reports on a paid basis¹, and has not been subject to audit. Key metrics (with YoY growth rates², where applicable) are:

- QTD to 22 June Marketplace Revenue growth of 107% (96% on a constant currency basis³)
- YTD to 22 June Marketplace Revenue growth of 42% (34% on a constant currency basis)
- Operating EBITDA⁴ profit of \$11.9 million for 1 July 2019 - 31 May 2020, up 101% YoY (86% on a constant currency basis)
- Operating expenses for April and May tracking 7.7% above the first two months of 3Q, with a variable portion related to incremental volume increases
- Closing cash balance at 31 May 2020 of \$56 million

RB Group has benefited from an acceleration in online activity throughout 4Q. Increased demand was seen at both of RB Group's marketplaces, as well as across core geographies and product categories. The Group's supply chain has managed the growth and orders are being fulfilled within expectations. RB Group is continuing to monitor online sales trends and remains mindful of external uncertainties that lie ahead.

RB Group is moving to realign its organisational structure to its strategy and this will involve reductions in headcount and related operating costs. The reorganised teams will be focusing on a smaller set of core initiatives to propel profitable growth:

- 1) Artist acquisition, activation and retention
- 2) User acquisition and transaction optimisation
- 3) Audience understanding and loyalty

¹ Delivery date adjustment to be made according to AASB 15 to align to statutory reporting requirements. This will reduce the amount of revenue recognised in the period due to timing differences. Further details will be provided in the complete and audited set of financial statements accompanying the full year results release in August.

² YTD YoY growth rates based on TeePublic contributions from 1 Nov 2018.

³ "Constant currency basis" reflects the underlying growth before translation to Australian dollars for reporting purposes. Redbubble sources about 94% of its Marketplace Revenue in currencies other than Australian dollars. TeePublic sources most of its Marketplace Revenue in US dollars.

⁴ Operating EBITDA excludes non-cash share-based payments, currency gains/losses, rent expenses (as per AASB 16 effective 1 July 2019), depreciation and amortisation. Comparative figures have been adjusted accordingly on a like for like basis.

The reorganisation is expected to generate annualised gross savings of \$5.6 million in operating costs, with one-off costs of \$2.1 million. A portion of the gross savings will be reinvested in core growth initiatives.

RB Group is committed to aggressively pursuing the global opportunity through focused execution with the objective of profitable growth.

A complete and audited set of financial statements will be provided at the scheduled full year results release in August.

This announcement was authorised for lodgment by Redbubble Limited's Disclosure Committee.

Martin Hosking (CEO) and Emma Clark (CFO) will host an investor update conference call this morning at 11.30am (AEST) Thursday 25 June 2020 || 6.30pm (PDT) and 9.30pm (EDT) on Wednesday 24 June 2020.

Participants will need to PRE-REGISTER for the call via the link below:

<https://s1.c-conf.com/DiamondPass/10008009-invite.html>

They will then receive a calendar invite and a unique code which is to be quoted when dialing into the call.

To ask a question, participants will need to dial “*1” (star, 1) on their telephone keypad.

A full transcript and recording of the webcast will subsequently be made available on the RB Group Investor Centre website: shareholders.redbubble.com. The recording will also be available on openbriefing.com.

For further information, please contact:

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About Redbubble Group

Founded in 2006, the Redbubble Group incorporates Redbubble Limited and its subsidiaries, including TP Apparel LLC (TeePublic). The Redbubble Group owns and operates the leading global online marketplaces hosted at Redbubble.com and TeePublic.com, powered by over one million independent artists. The Redbubble Group's community of passionate creatives sell uncommon designs on high-quality, everyday products such as apparel, stationery, housewares, bags, wall art and so on. Through the Redbubble and TeePublic marketplaces, independent artists are able to profit from their

creativity and reach a new universe of adoring fans. For customers, it's the ultimate in self-expression. A simple but meaningful way to show the world who they are and what they care about.

Forward-looking Statements

This announcement includes certain forward-looking statements that are based on information and assumptions known to date and are subject to various risks and uncertainties. Actual results, performance or achievements could be significantly different from those expressed in, or implied by, these forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of RB Group. These factors may cause actual results to differ materially from those expressed in the statements contained in this announcement.