

## Appendix 4C

### Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

**Name of entity**

Redbubble Limited

**ABN**

11119200592

**Quarter ended ("current quarter")**

30 September 2017

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers <sup>(1)</sup>	46,427	46,427
1.2	Payments for		
	(a) research and development	(381)	(381)
	(b) fulfiller expenses <sup>(2)</sup>	(20,688)	(20,688)
	(c) paid marketing <sup>(2)</sup>	(2,988)	(2,988)
	(d) other advertising and marketing	(281)	(281)
	(e) leased assets	(347)	(347)
	(f) staff costs <sup>(3)</sup>	(5,351)	(5,351)
	(g) other operating, administration and corporate costs	(3,505)	(3,505)
	(h) artist earnings	(6,961)	(6,961)
	(i) sales taxes	(2,093)	(2,093)
	(j) refunds, fraud and chargebacks	(970)	(970)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	112	112
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes received/(paid)	204	204
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	12	12
<b>1.9</b>	<b>Net cash from/(used in) operating activities</b>	<b>3,190</b>	<b>3,190</b>

<sup>(1)</sup> Receipts from customers represents Gross Transaction Value grossed up for refunds, fraud and chargebacks and adjusted for timing differences associated with payments being received through payment gateways up to 2 days after transaction occurs.

<sup>(2)</sup> Payments for fulfiller expenses and paid marketing this quarter are lower than might be expected due to delayed month end invoicing by suppliers (\$1.3m) and will be picked up in the December quarter.

<sup>(3)</sup> Staff costs include employment benefits and contractors' costs but exclude costs classified as Research and development (disclosed in item 1.2(a)) and costs related to capitalised development (disclosed at item 2.1(e)).

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(378)	(378)
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets (capitalised development costs)	(2,046)	(2,046)
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from/(used in) investing activities</b>	<b>(2,424)</b>	<b>(2,424)</b>
<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options / warrants <sup>(4)</sup>	380	380
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	(22)	(22)
<b>3.10</b>	<b>Net cash from/(used in) financing activities</b>	<b>358</b>	<b>358</b>

<sup>(4)</sup> The proceeds for the current quarter represent proceeds from exercise of 1,072,609 share options, some having zero exercise price.

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
<b>4.</b>	<b>Net increase/(decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of quarter/year to date	27,809	27,809
4.2	Net cash from/(used in) operating activities (item 1.9 above)	3,190	3,190
4.3	Net cash from/(used in) investing activities (item 2.6 above)	(2,424)	(2,424)
4.4	Net cash from/(used in) financing activities (item 3.10 above)	358	358
4.5	Effect of movement in exchange rates on cash held	(93)	(93)
<b>4.6</b>	<b>Cash and cash equivalents at end of quarter</b>	<b>28,840</b>	<b>28,840</b>

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	10,840	9,809
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Term deposits <sup>(5)</sup>	18,000	18,000
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>28,840</b>	<b>27,809</b>

<sup>(5)</sup> Term deposits are for various periods up to 12 months. All are capable of being called at 31 days' notice with minimal financial effect.

**6. Payments to directors of the entity and their associates**

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000
180
-

6.1 - Payment of executive director's salary and non-executive directors' fees.

**7. Payments to related entities of the entity and their associates**

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter \$A'000
-
-

8. <b>Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

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9. <b>Estimated cash outflows for next quarter</b> <sup>(6)</sup>	\$A'000
9.1 Research and development	(458)
9.2 Fulfiller expenses <sup>(7)&amp;(8)</sup>	(37,069)
9.3 Paid marketing <sup>(8)</sup>	(5,118)
9.4 Other advertising and marketing	(705)
9.5 Leased assets	(308)
9.6 Staff costs	(7,939)
9.7 Other operating, administration and corporate costs	(3,692)
9.8 Artist earnings <sup>(7)</sup>	(10,555)
9.9 Sales taxes <sup>(7)</sup>	(2,703)
9.10 Refunds, fraud and chargebacks <sup>(7)</sup>	(1,869)
<b>9.11 Total estimated cash outflows</b>	<b>(70,416)</b>

<sup>(6)</sup>The estimated cash outflows take account of the considerable seasonality in revenues experienced in the December quarter due to the holiday period covering Thanksgiving in the US and Christmas.

<sup>(7)</sup>These items will move broadly in line with the forecast cash receipts from customers.

<sup>(8)</sup>Estimated cash outflows for fulfiller expenses and paid marketing include the items noted as delayed in the current quarter cash flows above.

10. <b>Acquisitions and disposals of business entities</b> <b>(items 2.1(b) and 2.2(b) above)</b>	Acquisitions	Disposals
10.1 Name of entity	N/A	
10.2 Place of incorporation or registration		
10.3 Consideration for acquisition or disposal		
10.4 Total net assets		
10.5 Nature of business		

## Compliance Statement

1. This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
2. This statement gives a true and fair view of the matters disclosed.

Sign here: Paul Gordon  
(~~Director~~/Company secretary)

Date: 25 October 2017

Print name: Paul Gordon

## Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.