



Redbubble Limited - Investor Briefing

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Transcript of Investor Briefing

- *Mr Richard Cawsey, Board Chair*
- *Mr Martin Hosking, CEO / MD*
- *Mr Barry Newstead, COO (and CEO/MD delegate)*

Introduction by Paul Gordon, Company Secretary: Good morning all. This is Paul Gordon, Company Secretary for Redbubble. Welcome to this investor briefing following Redbubble's CEO transition announcement yesterday afternoon Australian time. With me I have Redbubble's Board Chair, Mr Richard Cawsey, Redbubble's retiring CEO and Managing Director, Mr Martin Hosking, and Redbubble's Chief Operating Officer and CEO/MD designate, Mr Barry Newstead. Richard, Martin and Barry will speak before we open up the lines for questions. Please note that this briefing and Q&A session is being recorded.

Over to you, Richard.

Richard Cawsey, Board Chair: Thank you Paul. Good morning everyone. Redbubble Limited, the global media marketplace for independent artists, announced yesterday that Martin Hosking, the Company's Managing Director and Chief Executive Officer since 2010, will retire. The Board has appointed Barry Newstead - currently Redbubble's Chief Operating Officer and the next Managing Director and CEO - effective from 1 August 2018.

Martin will remain deeply engaged with the Company in his capacity as a Non-executive Director and as a committed shareholder. Since founding Redbubble in 2006 Martin has been instrumental in building the Company into a business of enduring value. Under Martin's leadership Redbubble has delivered year after year of outstanding growth. From the beginning Martin has been clear that Redbubble was established for the long term.

He helped ensure its governance, ownership and operating structures have been designed to endure and pursue a vision larger than one individual. The Board is extremely grateful for Martin's leadership and his outstanding contribution, which has seen Redbubble develop from a start-up to a global leader in its segment. Few Australian companies are so well positioned. Under his leadership Redbubble has relentlessly pursued its mission of creating the world's largest marketplace for independent artists, bringing more creativity into the world. His work has had an impact on hundreds of thousands of artist worldwide and he has brought together and inspired an immensely talented team embodying the values of the Company.

The Board has worked with Martin and Barry to build a top tier senior leadership team. Having worked extensively with Barry since 2013 the Board is of the highest confidence that he is the right person to be our next Managing Director and Chief Executive Officer and lead the Company forward. During Barry's five years of service he has demonstrated outstanding leadership, representing the culture of high performance and values we aspire to. He has driven major strategic operational initiatives, including the hiring of talented global leaders.

The Board believes Barry's appointment reflects the strength of the Company's succession planning and the quality and depth of our management team. We're all very excited to work with Barry in continuing to build Redbubble as a business of enduring value.



On a personal note it has long been a shared aspiration to build a company capable of thriving beyond the founder's involvement. I'm truly delighted that we're in such a strong position to be able to realise this vision. In addition, I'm truly delighted that we've been able to appoint someone so well-tested from inside the organisation.

I'll now pass on to Martin.

Martin Hosking, CEO/MD: Thank you Richard. This is clearly a very big day for Redbubble, for Barry and myself, and also a very natural next step. I've always imagined Redbubble as a company of enduring value. This means that it must be greater than any individual, must be bound together by more than a single person.

The past decade has been an incredible start to Redbubble's journey. The business is propelled by strong momentum, favourable technology trends and global consumer trends. This transition is about scaling Redbubble and positioning the business to capture future opportunities. Good leaders know when it is time to step down. I've always aspired to be a good leader.

I have very strong confidence in Barry's leadership and the team's readiness to deliver on Redbubble's mission of creating the world's largest marketplace for independent artists bringing more creativity into the world. For five years I've been working with Barry and attribute much of Redbubble's success to his contribution. He is the leader the Company now requires. He embodies our values and is deeply mission aligned.

Barry led the design of the 'marketplace flywheel' that underpins the Company's growth strategy. He has overseen many of Redbubble's investments into its people and platform. This is driving targeted growth and scalability of the Redbubble platform for customers, artists and users.

Importantly, Barry has led the scaling of the Redbubble's organisation and the development of a performance culture. He formed the new business team that accelerated the new product launches, the new product launches and geographic expansion. He led the realignment of the technology team, positioning it to scale from a small team to a team of 90 strong. He led the recruitment of a CTO and a Chief Marketing Officer with strong Silicon Valley experience. He realigned the marketing team to deliver consistently high and profitable growth, leveraging a scalable platform. He has also overseen the operations teams which have delivered significant improvements to fulfilment cost, delivery speed and customer service.

Barry is familiar to many investors, bringing the strategic vision and operating depth the Company needs as it seizes the disruptive opportunity of global on demand retail. I believe now is the time for Barry to take the lead. He has proven to me that he's quite literally the best person for the job, myself included.

Finally, while my role has changed my commitment to Redbubble and to its vision, going forward, as a non-executive Director and as a committed shareholder. I look forward to continuing to be involved with the Company, whose mission I hold dear.

Thank you. I will now pass to Barry to speak with you.

Barry Newstead, COO and CEO/MD delegate: Thank you to both Richard, to the Board and, of course, to Martin for this opportunity. Good morning to all of you. This is an honour and a great responsibility to help such a special community of people realise our mission and our potential. I'm immensely proud of all that we have built at Redbubble to date. We have achieved so much under Martin's inspired leadership. I'm grateful for his leadership, for being my closest colleague, a mentor and a friend.



I would also say that he's also underpinned all of the values - the mission and the values - of this Company that we will take forward from here onwards. I'm looking forward to a new kind of partnership with Martin as we move into a new era.

I am looking forward to building on the outstanding achievements of this Company today. I'm deeply committed to the business and to our mission. We remain focussed on building a substantial and sustained business of enduring value. This transition really supports this objective. The transition is part of a long-standing focus within Redbubble, including the Board, Richard, Martin, the senior leadership team and myself. I'm building a team for the next stage of growth as we continue scaling to realise the revolutionary potential that this business has.

Since the beginning we have seen Redbubble as a team and we have invested in building a strong team of leaders who grow with the business. We believe - I believe - deeply that great companies are a product of great teams and culture, high ambitions, high performance and human connection.

Redbubble is a revolutionary company. Not only are we creating a world of opportunity for artists and entrepreneurial fulfilment businesses, we are adding a depth of personal meaning and humanity to global commerce. We are leading the emergence of an era of personal commerce powered by consumer demand for personal relevance, print on demand technology and the sharing economy.

Our marketplace is unique. We have a 'flywheel' which means that we get stronger with time, and it opens up rare opportunities for growth and impact. As we grow we generate content advantages and economies of scale that enhance our competitiveness and expand our market potential. Over time we see the entire world of apparel, homeware accessories as our addressable market.

Our strategy remains focussed on accelerating the marketplace dynamics and building a business that creates - that will create value for shareholders, employees, artists and partners for many years to come. We are a strategic team who execute well on our strategy. We will remain a business built on that strong execution, with a real focus on global competitive advantage.

As we move through the transition we'll move with clarity and a purpose, a strong core, as well as a freshness to consider ways in which we can innovate with our marketplace model. Looking forward, I am energised to serve our shareholders, artists, partners and employees to realise Redbubble's mission to bring more creativity into the world. I am deeply committed to realising the full potential of our mission.

As shareholders of Redbubble I value your input, your advice and ideas, so please feel free to email me or Louise Lambeth, our Investor Relations Manager. You can reach me on barry@redbubble.com, or Louise at louise.lambeth@redbubble.com. One of us will reply to your input. That's very important to me actually that we are accessible and that we listen to input and advice from others. I really do welcome that input and feedback.

We have a tremendous opportunity to change the world for the better and to build a business that's substantial and enduring value. I'm excited about the journey. Thank you for your engagement and partnership.

We'll now be pleased to take your questions.

Operator: Thank you. Ladies and gentlemen, we will now begin the question and answer session. If you wish to ask a question please press star one on your telephone and wait for your name to be announced. If you wish to cancel your request please press the pound or hash key. Once again, it's star one to ask a question.

Your first question comes from the line John Lewis from Osmium. Please go ahead.



John Lewis (Osmium, shareholder) Good morning guys.

Martin Hosking (CEO): Good morning John. Welcome to Australia.

John Lewis (Osmium, shareholder) Thank you very much. I'm having a great time. First, I want to tip my hat to both you and especially start off by saying, Martin, you've built a fantastic business and really took it to an amazing spot. I know you'll be highly involved. It takes a lot of strength and confidence in a - for a founder to pass the baton to somebody as capable as Barry, so I think both of you guys have done the absolute right things to grow, and I have the utmost confidence in both of you. I really am very supportive of this transition and move. I really have nothing but great things to say and think about where the Company's headed. Really, just a comment. Thank you and a hat tip to both of you.

Richard Cawsey (Board Chair): Thank you very much John. We really appreciate your support as an investor. Just for those other investors on the phone, John is from Osmium out of San Francisco, our second largest shareholder in fact.

John Lewis (Osmium, shareholder) Thank you.

Operator: Once again, if you wish to ask a question please press star one. Once again, it's star one to ask a question. Thank you. There are no further questions at this time. I would now like to hand the conference back to today's presenters. Please continue.

Richard Cawsey (Board Chair): Thank you all for attending the conference. As Barry has said, we are always open for discussions with shareholders. If you do have questions or comments that come after this presentation please don't hesitate to get in contact with either Louise, Barry or myself through this. My email is richard@redbubble.com. We look forward to answering any questions you would have. I'm thoroughly delighted that we've been able to achieve what is quite unusual in the ventures space, which is a smooth and really effective transition from founder to the next generation of high performing executive. I wish Barry incredibly well for the future and look forward to looking on in awe of what the Company does. Thank you all.

Barry Newstead (COO): Thank you very much.

Richard Cawsey (Board Chair): Thank you very much everybody. Thank you, and thank you for all of your support to all the investors over all the years.

Operator: Thank you. Ladies and gentlemen, that does conclude our conference for today. Thank you for participating. You may all disconnect.

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