

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 2018

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers ⁽¹⁾	64,989	64,989
1.2	Payments for		
	(a) research and development	(488)	(488)
	(b) fulfiller expenses	(29,378)	(29,378)
	(c) paid marketing	(4,478)	(4,478)
	(d) other advertising and marketing	(272)	(272)
	(e) leased assets	(684)	(684)
	(f) staff costs ⁽²⁾	(8,563)	(8,563)
	(g) other operating, administration and corporate costs	(4,897)	(4,897)
	(h) artist earnings	(9,777)	(9,777)
	(i) sales taxes	(3,082)	(3,082)
	(j) refunds, fraud and chargebacks	(1,519)	(1,519)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	78	78
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes received/(paid)	(20)	(20)
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	110	110
1.9	Net cash from/(used in) operating activities	2,019	2,019

(1) 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 two days after transaction occurs.

(2) Staff costs include employment benefits and contractors' costs but exclude costs classified as Research and development (disclosed at 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
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(63)	(63)
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets (capitalised development costs)	(2,200)	(2,200)
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)	-	-
2.6	Net cash from/(used in) investing activities	(2,263)	(2,263)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options ⁽³⁾	1,135	1,135
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)	(72)	(72)
3.10	Net cash from/(used in) financing activities	1,063	1,063

⁽³⁾ The proceeds for the current quarter represent proceeds from exercise of 2,696,934 share options, some having zero exercise price.

4.	Net increase/(decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of quarter/year to date	21,247	21,247
4.2	Net cash from/(used in) operating activities (item 1.9 above)	2,019	2,019
4.3	Net cash from/(used in) investing activities (item 2.6 above)	(2,263)	(2,263)
4.4	Net cash from/(used in) financing activities (item 3.10 above)	1,063	1,063
4.5	Effect of movement in exchange rates on cash held	47	47
4.6	Cash and cash equivalents at end of quarter	22,113	22,113

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	10,113	3,247
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Term deposits ⁽⁴⁾	12,000	18,000
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	22,113	21,247

⁽⁴⁾ 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

Current quarter \$A'000
659
-

- 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

6.1 - Payment of executive director's salary and non-executive directors' fees. This quarter includes payments to the new CEO Barry Newstead (who was appointed as a Director on 1 August 2018) and also includes the final payments for Marting Hosking (the retiring CEO who remains a Director). FY18 STI payments were also paid to the Executive Directors in this quarter.

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

Current quarter \$A'000
-
-

- 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

8. Financing facilities available

Add notes as necessary for an understanding of the position

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.

9.	Estimated cash outflows for next quarter ⁽⁵⁾	\$A'000
9.1	Research and development	(488)
9.2	Fulfiller expenses ⁽⁶⁾	(43,739)
9.3	Paid marketing	(5,923)
9.4	Other advertising and marketing	(432)
9.5	Leased assets	(781)
9.6	Staff costs	(10,112)
9.7	Other operating, administration and corporate costs	(3,579)
9.8	Artist earnings ⁽⁶⁾	(15,199)
9.9	Sales taxes ⁽⁶⁾	(5,757)
9.10	Refunds, fraud and chargebacks	(2,590)
9.11	Total estimated cash outflows	(88,600)

⁽⁵⁾ The estimated cash outflows take account of the considerable seasonality in revenues experienced in the December quarter each year due to the holiday period covering Thanksgiving in the US and Christmas.

⁽⁶⁾ These items will move broadly in line with the forecast cash receipts from customers.

10.	Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1	Name of entity		
10.2	Place of incorporation or registration		
10.3	Consideration for acquisition or disposal	N/A	
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:
(~~Director~~/Company secretary)

Date: 24 October 2018

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.