Investor Presentation
FY20 Results Update
21 August 2020

RB Group owns and operates the leading global online marketplaces, hosted at Redbubble and TeePublic, powered by millions of independent artists, bringing more creativity into the world.

*The financial results have been audited and are on a delivered basis (unless otherwise noted). Strategic and operational metrics are from internal management reports and have not been subject to audit.*
Redbubble Group offers a compelling investment opportunity

1. Emerging winner in rapidly shifting landscape
   With ecommerce accelerating, the combination of on-demand technology and user-generated content has enabled rapid scaling

2. Industry-leading marketplaces with strengthening flywheel effects
   Virtuous cycle of a growing community of artists fuelling strong demand for unique content

3. The on-demand business model is scalable, diversified and resilient
   Global network of 3P localised fulfilment, with natural FX hedge

4. Demonstrated commitment to strong, profitable growth
   Tripling of sales since IPO in 2016, with margin upside, operating leverage, positive EBITDA and free cash flows

Creating the world’s largest marketplace for independent artists
1.

Emerging winner in rapidly shifting landscape
COVID-19 has accelerated ecommerce, and the structural shifts are likely to endure

Online retailing growing more quickly than ever

- ~10 years of growth achieved in 3 months

Signs of enduring structural shift in consumer behaviour

- Online growth continuing even as offline starts to reopen
- Surveys indicate 60% of buyers expect to continue online spending behaviours post-COVID-19
RB Group positioned to win as COVID-19 accelerates long-term retail trends

Retail trends accelerating in 2020:

Customers seeking more value within tight discretionary spending
After this crisis, consumers will become much more discerning with discretionary purchasing. Their connection with brands will be important, and they “will want something meaningful.” ... Made-to-order, particularly with customization, attaches more meaning to products.
Forbes, April 2020

Design to Retail lead times too long
Before the crisis struck, the fashion industry had started to change its out-of-date sourcing model characterized by long lead times, maximizing order sizes, and relatively low flexibility. It was already clear that transformation was needed, particularly in making sourcing more demand-driven and more sustainable on social and environmental dimensions.
McKinsey, May 2020

Overstock and Inventory risk
Manufacturing on demand eradicates overstock and risk, reduces inventory costs and slashes lead times. Digital printing continues to transform the fashion industry, rebalancing power - more to the consumer and the designer - and increasing sustainability in the garment printing space.
Which PL M, November 2019

→ Meeting consumer desire for customisation and meaning
→ With art created by Independent Artists
→ Large product range manufactured on-demand
Revenue growth has accelerated through the second half of FY20

RB Group Marketplace Revenue YoY growth
(%, 2H FY2020 - July 2020<sup>1</sup>)

RB Group recorded accelerating growth during COVID-19

- Benefitted from increased online activity

Topline momentum from April - June continued in July

- Recent momentum propelling the business across geographies and product categories

Source: RB internal data.
1. 4Q FY20 and July 2020 (unaudited) shown on paid basis, and 2H FY20 is reported on a delivered basis.
RB Group is a global marketplace, with growth in all geographies

Gross Transaction Value by Region
(A$ m, FY16 - FY20)

<table>
<thead>
<tr>
<th>Region</th>
<th>% total business</th>
<th>FY19-20 YoY</th>
<th>4Q YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>ROW</td>
<td>1%</td>
<td>7%</td>
<td>24%</td>
</tr>
<tr>
<td>AU/NZ</td>
<td>5%</td>
<td>24%</td>
<td>79%</td>
</tr>
<tr>
<td>UK</td>
<td>10%</td>
<td>33%</td>
<td>124%</td>
</tr>
<tr>
<td>EU</td>
<td>14%</td>
<td>30%</td>
<td>61%</td>
</tr>
<tr>
<td>North America</td>
<td>69%</td>
<td>53%</td>
<td>121%</td>
</tr>
</tbody>
</table>

Source: RB internal data.
2. Strengthening flywheel dynamics
Core strategic assets drive flywheel effects across Redbubble and TeePublic marketplaces

Leading Print-On-Demand marketplaces for independent artists
511,000 selling artists on RB marketplaces (↑51% YoY)

Aggregated, growing demand
6.8 million customers (↑30% YoY) bought from RB marketplaces spending $474m GTV (↑44% YoY)

Scalable on-demand global 3rd party fulfilment
41 fulfilment locations across global network (↑9 locations)

Source: RB internal data.
RB Group is powered by a loyal and growing artist community

New artists are additive to marketplace growth, while older artists provide sustained revenue

FY20 Focus
Artist onboarding and engagement
Artist shops
IP protection

Next
Systems for stronger account management of artists
Active outreach and marketing to high value artists

Marketplace Revenue by artist cohort
(A$m, FY16 - FY20)

Source: RB Internal data.
1. TeePublic artists onboarded prior to incorporation in FY17 assumed to be onboarded in FY17 cohort.
~511,000 artists made sales across RB Group marketplaces in FY20

$67m paid to artists in FY20 (up 35% YoY)

From an Australian artist:

"I have been having some great sales success. Prior to the March I would expect to earn $300 per month and am now regularly seeing a return of up to $1000 per month, which is very very nice!

A lot of my sales are of masks, quite a few jigsaw puzzles and overall...people are shopping more extensively for other products and designs within my range. I’ve found more success through COVID-19.”

Source: RB internal data.
RB Group’s customer growth has accelerated through FY20

Growth in unique customers accelerated in 4Q (74% YoY)

Marketing spend low at 11.4% of MPR:
- Marketplace / e-commerce peers spend 11-26% of revenue\(^1\)
- TeePublic expanding efficiently into paid marketing

FY20 Focus

SEO improvements
Content management systems

Next

Uplift in core ecommerce elements

Source: RB internal data.  
1. Based on marketing / advertising spend as % of Marketplace Revenue or equivalent in the last fiscal year from publicly available information.
Loyalty is an area of opportunity with focus on building a global brand

Repeat purchasing has remained strong during COVID-19. Apps have strong user engagement, conversion and repeat.

Marketing diversifying: targeting new customers segments and channels to increase effectiveness and reach.

FY20 Focus

Android app launch
Deeper personalisation

Next

Alignment of Group brands to target customers
Audience-based targeted marketing

Marketplace Revenue by purchase type
(A$m, FY16 - FY20)

Repeat purchases
+36% CAGR

First purchases
+30% CAGR

Source: RB internal data.
Sales through apps are growing rapidly, attracting loyal users

**Marketplace Revenue from Mobile, (A$m, FY16 - FY20)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Redbubble Apps</th>
<th>Redbubble mobile web</th>
<th>TeePublic mobile web</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY16</td>
<td>31</td>
<td>186</td>
<td>46</td>
</tr>
<tr>
<td>FY17</td>
<td>46</td>
<td>116</td>
<td>71</td>
</tr>
<tr>
<td>FY18</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY19</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY20</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**13%**

Redbubble Marketplace Revenue through apps in FY20 (up 159% YoY)

From an app user in Canada:

“I will definitely be doing most of my shopping online! Not planning to go to any malls this Christmas. I'll probably be back on Redbubble shortly to look at Christmas gifts... Awesome app, love you guys.”

Source: RB internal data.
RB Group brands are emerging in mainstream press
3. Scaling on-demand fulfilment

Today I'm thankful by Rene Hamann
3P fulfilment is localised in core regions providing customer benefits, cost advantages and resilience

~96% of orders are shipped locally, up from ~87% in FY16

Localising improves customer experience
→ Faster delivery times
→ Lower contact rates
→ Lower shipping costs

Diversified network assures resilience in peak times

Aggregated Group volumes provide scale benefits

Competition between fulfillers keeps costs low

Next
Ongoing localisation and fuller diversification as volumes increase and new products grow

<table>
<thead>
<tr>
<th>Market</th>
<th>RB Group fulfilers</th>
</tr>
</thead>
<tbody>
<tr>
<td>USA</td>
<td>19</td>
</tr>
<tr>
<td>UK</td>
<td>5</td>
</tr>
<tr>
<td>EU</td>
<td>7</td>
</tr>
<tr>
<td>AU</td>
<td>4</td>
</tr>
<tr>
<td>CA</td>
<td>2</td>
</tr>
</tbody>
</table>

Source: RB internal data
This fulfilment network supports ongoing addition of new products, increasing leverage on unique works.

Revenue by product launch year (A$m, FY16 - FY20)

Unique images sold
Unique items sold
Leverage from physical products
Unique images sold

$17m Marketplace Revenue from 16 new products in FY20

117 products\(^1\) now live with hundreds more in the pipeline

Source: RB internal data.
1. Excludes double counting of the same product on both Redbubble and TeePublic. Total of 152 if including overlaps.
There are 117 physical products currently on offer with many more to come

**Apparel**
- Socks
- Kids Hoodie
- Toddler Hoodie
- Active T-Shirt
- Footwear
- Outerwear
- Recycled, Organic
- Swimwear
- Underwear

**Accessories**
- Masks
- Duffle Bag
- Back Pack
- Cotton Tote
- Pin Button
- Water Bottle
- Hats, Caps & Beanies
- Patches

**Home and wall art**
- Apron
- Coasters
- Comforter
- Die Cut Magnet
- Jigsaw Puzzle
- Mounted Print (Canvas)
- Mounted Print (Wood)
- Drinkware
- Kitchen & Dining
- Outdoor

**Electronics**
- Samsung Galaxy Case (Soft)
- Laptop Skin Model Extension
- iPad / Tablet Cases
- Wearables Tech Cases
- Gaming

**...Future category expansions**
- Pets
- Home Office
- Nursery and Baby
- Active wear
- Printed Fabric / DIY

Source: RB internal data.
1. Excludes double counting of the same product on both Redbubble and TeePublic. Total of 152 if including overlaps.
During COVID-19, growth has accelerated across all product categories, driving further diversification

**Product contribution**
(% of Marketplace Revenue, FY16 - FY20)

<table>
<thead>
<tr>
<th>Category</th>
<th>FY19-20 YoY</th>
<th>Q4 YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Homewares</td>
<td>63%</td>
<td>220%</td>
</tr>
<tr>
<td>Artwork</td>
<td>68%</td>
<td>195%</td>
</tr>
<tr>
<td>Accessories</td>
<td>52%</td>
<td>273%</td>
</tr>
<tr>
<td>Other Apparel</td>
<td>38%</td>
<td>75%</td>
</tr>
<tr>
<td>Stationery and Stickers</td>
<td>21%</td>
<td>65%</td>
</tr>
<tr>
<td>T-shirts</td>
<td>30%</td>
<td>46%</td>
</tr>
</tbody>
</table>

Source: RB internal data
Masks were launched in record time in response to COVID-19, with rapid financial impact

At a glance
Since late April launch to 30 June 2020:

741K Masks sold

$12.1m Marketplace Revenue

10m Designs enabled

$1.4m Artists earnings

Face masks contribution to Group (% of monthly MPR, Apr-Jun 2020)

Social impact
Donations to communities in need

400,000+ face masks donated

Donations were made to Heart to Heart International and Direct Relief who are working to help those on the frontline and communities most in need

Source: RB internal data
4.

Strong financials underpinned by operational performance
### Strong financial results have been underpinned by growth in core operational metrics

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
<th>Change</th>
<th>Note</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marketplace Revenue</td>
<td>$349m</td>
<td>↑ 36%</td>
<td>Floating</td>
</tr>
<tr>
<td></td>
<td></td>
<td>↑ 29% cc</td>
<td></td>
</tr>
<tr>
<td>Operating EBITDA</td>
<td>$15.3m</td>
<td>↑ 141%</td>
<td></td>
</tr>
<tr>
<td>EBITDA</td>
<td>$5.1m</td>
<td>↑ $7.1m</td>
<td>First EBITDA profit since IPO</td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>$38m</td>
<td>↑ $38m</td>
<td>First positive FCF since IPO</td>
</tr>
<tr>
<td>Selling artists</td>
<td>511k</td>
<td>↑ 51%</td>
<td></td>
</tr>
<tr>
<td>Unique customers</td>
<td>6.8m</td>
<td>↑ 30%</td>
<td></td>
</tr>
<tr>
<td>Repeat purchases</td>
<td>40%</td>
<td></td>
<td>of Marketplace Revenue</td>
</tr>
<tr>
<td>New products contribution to FY</td>
<td>$17m</td>
<td></td>
<td>of Marketplace Revenue</td>
</tr>
</tbody>
</table>

Source: RB internal data
RB Group has a strong track record of delivering topline growth

**Marketplace Revenue**
(A$ m, FY16 - FY20)

- FY16: 115
- FY17: 141
- FY18: 183
- FY19: 257
- FY20: 349

**MPR per employee**
(A$ '000, FY16 - FY20)

- FY16: 687
- FY17: 700
- FY18: 818
- FY19: 946
- FY20: 1,176

RB Group has a strong track record of growth

- 5-year CAGR of +32% at the topline since IPO

Recent macro shifts in online activity has accelerated growth momentum

- 4Q20 topline trends also continuing into FY2021

Increasing productivity generating topline performance

**Source:** RB internal data
This growth has also translated to margin, with increasing profitability across the P&L

**GP** (A$m, FY16 - FY20)  
+36% CAGR

**GPAPA** (A$m, FY16 - FY20)  
+32% CAGR

**Operating EBITDA** (A$m, FY16 - FY20)  
+141% YoY

Topline growth propelling increasing profitability driven by scale benefits

- Expanding margins whilst controlling opex growth
  - GPAPA margin of 27.1% in FY20 v. 26.3% in FY19
  - Operating EBITDA margin of 4.4% in FY20 v. 2.5% in FY19

Profitable growth via further margin upside and demonstrable operating leverage

Source: RB internal data
Also benefiting from favourable working capital cycle, with high take-rate of ~$29.3 for $100 of GTV

Inflows

<table>
<thead>
<tr>
<th>GTV</th>
<th>Received</th>
</tr>
</thead>
<tbody>
<tr>
<td>$100</td>
<td>$97.3</td>
</tr>
</tbody>
</table>

Outflows

<table>
<thead>
<tr>
<th>Payment platform</th>
<th>Artist</th>
<th>Fulfillers</th>
<th>Tax</th>
</tr>
</thead>
<tbody>
<tr>
<td>$2.7</td>
<td>$14.7</td>
<td>$44.1</td>
<td>$7.9</td>
</tr>
</tbody>
</table>

Source: RB internal data. Analysis based on FY20 figures, on a shipped basis without delivery date adjustments.
2021 is a year of opportunity for Redbubble Group

RB Group is positioned to build on a decade of momentum and aggressively pursue the global opportunity presented by the shift to online activity and increasing adoption of ecommerce platforms.

Work in 2021 will be across:

- Artist activation and retention at Group level
- User acquisition and transaction optimisation
- Customer understanding, loyalty and brand building
- Further physical product and fulfilment network expansion
### 4Q & FY20 Income Statement Summary - RB Group¹

<table>
<thead>
<tr>
<th>P&amp;L (A$M)</th>
<th>4Q</th>
<th>YoY (4Q FY20 v 4Q FY19)</th>
<th>FY</th>
<th>YoY (FY20 v FY19)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Revenue</strong></td>
<td>71.3</td>
<td>124.6</td>
<td>75%</td>
<td>307.0</td>
</tr>
<tr>
<td>Less: Artist Revenue</td>
<td>(11.5)</td>
<td>(21.3)</td>
<td>85%</td>
<td>(50.1)</td>
</tr>
<tr>
<td>Marketplace (MP) Revenue</td>
<td>59.8</td>
<td>103.3</td>
<td>73%</td>
<td>256.9</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>22.8</td>
<td>42.9</td>
<td>88%</td>
<td>94.5</td>
</tr>
<tr>
<td>GP % (on MP Revenue)</td>
<td>38.2%</td>
<td>41.6%</td>
<td>3.4pp</td>
<td>36.8%</td>
</tr>
<tr>
<td>Paid Acquisition (Marketing)</td>
<td>(5.8)</td>
<td>(11.7)</td>
<td>102%</td>
<td>(27.0)</td>
</tr>
<tr>
<td>GPAPA (Gross Profit after Paid Acquisition)</td>
<td>17.1</td>
<td>31.2</td>
<td>83%</td>
<td>67.5</td>
</tr>
<tr>
<td>GPAPA % (on MP Revenue)</td>
<td>28.5%</td>
<td>30.3%</td>
<td>1.7pp</td>
<td>26.3%</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>(15.7)</td>
<td>(22.8)</td>
<td>46%</td>
<td>(61.2)</td>
</tr>
<tr>
<td>Operating EBITDA</td>
<td>1.4</td>
<td>8.4</td>
<td>506%</td>
<td>6.3</td>
</tr>
<tr>
<td>Operating EBITDA % (on MP Revenue)</td>
<td>2.3%</td>
<td>8.1%</td>
<td>5.8pp</td>
<td>2.5%</td>
</tr>
<tr>
<td>Other Income/Expenses²</td>
<td>(3.0)</td>
<td>(1.0)</td>
<td>(65%)</td>
<td>(8.3)</td>
</tr>
<tr>
<td>EBITDA</td>
<td>(1.6)</td>
<td>7.4</td>
<td>570%</td>
<td>(2.0)</td>
</tr>
<tr>
<td>Depreciation &amp; Amortisation</td>
<td>(2.7)</td>
<td>(3.5)</td>
<td>29%</td>
<td>(10.0)</td>
</tr>
<tr>
<td>EBIT</td>
<td>(4.3)</td>
<td>3.9</td>
<td>190%</td>
<td>(12.0)</td>
</tr>
</tbody>
</table>

¹ FY19 results include TeePublic from 1 November 2018 onwards.
² Includes non-cash share-based payments, currency gains/losses, rent expenses (as per AASB 16 effective 1 July 2019), depreciation and amortisation.
RB Group has a natural currency hedge in core geographies

FY2020 distribution of Marketplaces Revenue and costs by currency (A$m, FY20)

- Receipts from sales and payment of costs in the same currencies creates a natural hedge
- Coverage for GBP, EUR and CAD improving as more localisation occurs in those regions
- RB Group benefited from strong USD:AUD tailwinds in FY20
- Operating expenses in US and EUR provide further hedge at EBITDA level

Source: RB internal data.
Glossary

- **Marketplace Revenue**: Total Revenue less Artist Revenue (i.e. margin)
- **Gross Transaction Value (GTV)**: Gross Transaction Value less Taxes and Artist Revenue is equal to Marketplace Revenue.
- **Constant currency**: 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 about 89% of its Marketplace Revenue in US dollars.
- **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. 4Q and FY2020 Operating EBITDA also includes the impact of $2.2m related to one-off reorganisation costs.
- **Free cash flow**: aggregate of operating and investing cash flows excluding consideration for TeePublic. Recent changes in the accounting treatment of rent expenses on property leases (as per AASB 16 effective 1 July 2019) have reclassified payments for such leases as financing cash flows and are therefore excluded from the free cash flow figure. FY19 comparative figures have also been adjusted accordingly.
- **Take rate**: Gross Profit as % of Gross Transaction Value. Gross Transaction Value less Taxes and Artist Revenue is equal to Marketplace Revenue.
- **Selling artists**: currently active artists (i.e. not suspended or deleted) who sold a currently published work during the period; does not account for overlaps between Redbubble and TeePublic
- **Unique customers**: defined as an unique email address; does not account for overlaps between Redbubble and TeePublic
- **Repeat purchases**: based on Repeat Marketplace Revenue earned from purchases made by customers who have previously purchased, regardless of the date of their initial purchase
- **New products contribution to FY**: Marketplace Revenue earned from sales of products launched within the financial year
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.

Disclaimer

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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.