



## Trading Update

**Melbourne, Australia; 15 October 2020:** Redbubble Limited (ASX: RBL; ADR: RDBBY) today provides a trading update relating to the first quarter for the year ended 30 June 2021. The financial results are on a delivered basis and both these and any accompanying operating metrics are from internal management reports and have not been audited.

### 1Q FY2021 Financial Performance

Redbubble's 1Q financial metrics (with YoY growth rates, where applicable) are:

- Marketplace Revenue<sup>1</sup> of \$147.5 million, up 116% (122% on a constant currency basis<sup>2</sup>)
- Gross profit of \$64.5 million, up 149% (157% on a constant currency basis)
- EBIT of \$22.1 million<sup>3</sup>
- Operating cash inflow of \$27.1 million, compared to \$10.2 million in prior year
- Closing cash balance at 30 September 2020 of \$85.4 million

Included within the above numbers is a positive adjustment as delivery times have reverted back to more normalised levels. Excluding the delivery date adjustment, the financial metrics are:

- Marketplace Revenue<sup>1</sup> (paid) of \$139.3 million, up 98% (104% on a constant currency basis<sup>2</sup>)
- Gross profit (paid) of \$59.6 million, up 118% (125% on a constant currency basis)
- EBIT (paid) of \$17.2 million<sup>3</sup>

### Strategic & Business Update

The quarter saw a continuation of strong demand across products and geographies. RB Group is continuing to monitor online sales trends and remains mindful of external uncertainties that lie ahead.

The company is focused on 4 key initiatives to generate ongoing profitable growth:

- 1) Artist acquisition, activation and retention
- 2) User acquisition and transaction optimisation
- 3) Customer understanding, loyalty and brand building
- 4) Further physical product and fulfilment network expansion.

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<sup>1</sup> Marketplace Revenue is total revenue less artist revenue (ie artist margin).

<sup>2</sup> "Constant currency basis" reflects the underlying growth before translation to Australian dollars for reporting purposes. Redbubble sources about 93% of its Marketplace Revenue in currencies other than Australian dollars. TeePublic sources about 92% of its Marketplace Revenue in US dollars.

<sup>3</sup> Operating EBITDA and EBITDA were the metrics reported in the prior period.

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Redbubble CEO, Martin Hosking, said: “The strategic priority for the group now is to ensure we extend the market leadership we have established. We intend to invest in the customer experience to improve loyalty and retention and ensure long-term higher levels of growth. The company has the resources to undertake the anticipated investments and the margin structure to ensure it can do so while remaining profitable”.

Further information has been provided in the Investor Presentation also released today.

This announcement was authorised for lodgment by Redbubble Limited’s Board of Directors.

**Martin Hosking (CEO) and Emma Clark (CFO) will host an investor update conference call via live webcast this morning at 10.00am (AEDT) Thursday 15 October 2020 || 4.00pm (PDT) and 7.00pm (EDT) on Wednesday 14 October 2020.**

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

<https://s1.c-conf.com/diamondpass/10010445-472lds.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](https://shareholders.redbubble.com). The recording will also be available on [openbriefing.com](https://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, Redbubble.com and TeePublic.com. 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.

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### **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.

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