



# Letter to Shareholders

## Accompanying Investor Presentation

22 April 2021

Redbubble Group owns and operates the leading global online marketplaces, Redbubble.com and TeePublic.com, bringing more creativity into the world.

# Our Mission sits at the centre of what we do

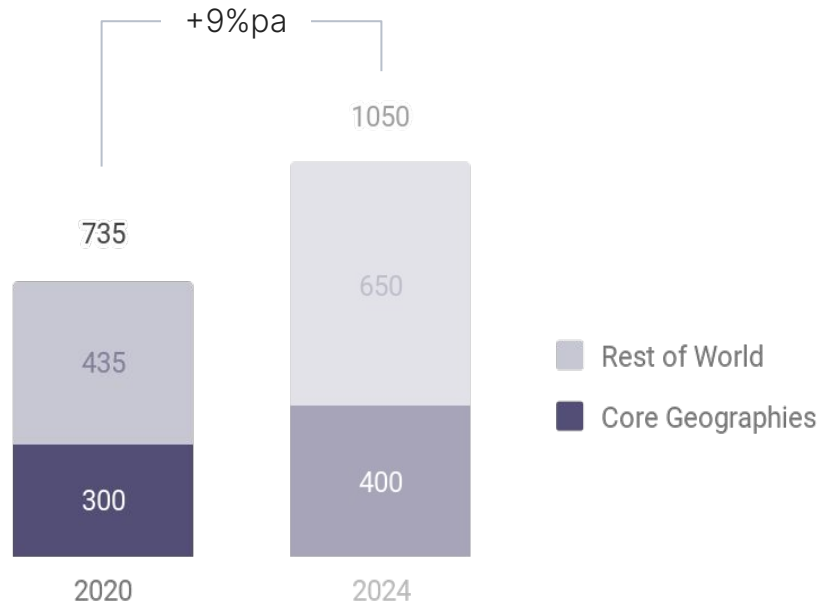
Creating the  
world's largest  
marketplace for  
independent artists



Galaxies  
by Elentori

# Our addressable market is ~US\$300b in core geographies and product categories

eCommerce spend in addressable product categories<sup>1</sup>  
US\$b



Within our core market, ~35-40% customers are seeking something unique and meaningful

This group is likely to outpace market growth as personalised products become more mainstream

Sources: Statista, Businesswire, U.S. Chamber of Commerce  
1. Includes apparel, homewares, stationery, and art sold via e-commerce.

# RB Group is positioned to capitalise on macro trends

- Structural shifts in 2020 to eCommerce expected to endure
- Increasing consumer demand for unique and meaningful products
- Growing Creator Economy enables scalable, dynamic source of unique designs
- Sustainability and corporate responsibility driving consumer and investor choice



Stars and rainbow  
by Audrey Herbertson

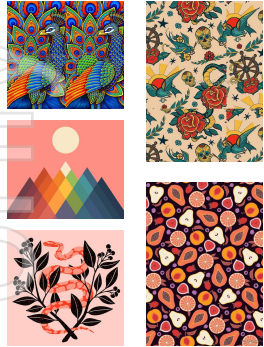
# 2020 demonstrated the potential of the RB group business model

- Strong growth across geographies and product categories demonstrated broad appeal of the marketplace offering
- Resilient 3rd party supply chain showed their ability to scale rapidly
- Unit economics were maintained with strong cash flows and increasing EBITDA



sunshine enrapture me  
by leafandpetal

# Over the medium term, our aspiration is to drive top-line growth enabling a step change in scale and artist impact



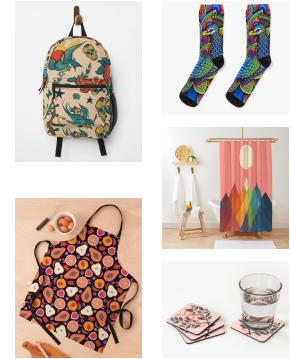
Artists &  
Content

Discovery

Loyal  
Customers

Service

Fulfilment &  
Operations



Delivering value to artists  
inspires them to create  
more unique content

**Driving top line growth  
through customer acquisition  
and loyalty reinforces our  
competitive position**

Scaling the network improves  
the customer experience and  
unit economics

# The result of this is to create a step change in the scale of the business

## Medium Term Aspiration

**\$1.5b+**

in Gross Transaction Value

**\$1.25b**

in Marketplace Revenue

**\$250m**

in Artist Revenue

We believe this is possible through organic investment and growth

We will look for M&A opportunities that will help deliver or amplify this aspiration

# CY21 focus on four strategic themes to build foundations

1

## **Artist activation and retention**

Acquisition and engagement of artists to support growth and improvement of the library of unique content

2

## **Customer understanding, loyalty and brand building**

Deeper understanding of customers and their behaviour to create more compelling experiences and increased customer loyalty

3

## **User acquisition and transaction optimisation**

Ongoing optimisation of user acquisition and transaction flows to drive uplift in overall user value

4

## **Product Range and 3rd Party fulfilment network**

Addition and changes to available product range from 3rd Party fulfilment network to reinforce user acquisition and customer loyalty



# We will drive sales growth in CY22-24 through multiple phases of disciplined investment

## 1. Enhance the core customer experience

- Improved digital and physical experience
- Focus on loyalty and repeat purchases

## 2. Continue to earn growth in core markets

- Consistent and selective addition of new physical products
- Improvements to 3rd party fulfilment and logistics network

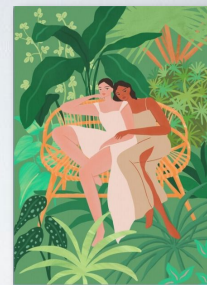
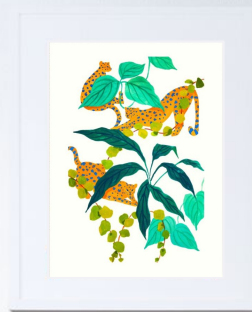
## 3. Amplify growth by growing customers

- Brand Marketing to increase awareness and trial
- Expansion into new geographies

# Building margin and bottom line improvement as the business scales

	CY20	CY24+	Implications
<b>Artist Revenue</b>	98.6	\$250m+	Step change in value for Artists
<b>Marketplace Revenue</b>	521.7	\$1.25b+	Grow MPR at CAGR of 20-30%
<b>GP (% of MPR)</b>	40.7%	40-42%	Grow the product portfolio while maintaining similar margin structures
<b>Marketing (%)</b>	12.3%	12-15%	Increase overall marketing spend to include investment in Brand Marketing
<b>Operating expenses (%)</b>	16.8%	15%	Realise scale efficiencies in core systems and processes
<b>EBITDA (%)</b>	9.5%	10-15%	In the short-term EBITDA as a percent of MPR is expected to be in the mid single digit range over an annual period

## Q&A



Leopards Playing among Plants,  
Communication, Jungle Sisters  
by **SunLee Art**



## 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.

## Disclaimer

The information in this investor update is in summary form and does not purport to be complete. Investors or potential investors should seek their own independent advice. This material is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of a particular investor. These should be considered when deciding if a particular investment is appropriate.

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