

Investor Presentation – Acquisition of TeePublic and Capital Raising

24th October 2018



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- Redbubble's acquisition of TP Apparel LLC and TP Apparel Europe Ltd (**TeePublic**);
- a fully underwritten 1 for 13 pro-rata accelerated non-renounceable entitlement offer of new fully-paid ordinary shares in Redbubble (**New Shares**) to be made under section 708AA of the Corporations Act 2001 (Cth) (**Corporations Act**) as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73 (**Entitlement Offer**); and
- an institutional placement of New Shares to certain professional and sophisticated investors (**Placement**).

The Entitlement Offer will be made to eligible retail shareholders of Redbubble (**Retail Entitlement Offer**) and eligible institutional shareholders of Redbubble.

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The underwriters and/or their respective affiliates are acting as joint lead managers and underwriters of both the Entitlement Offer and the Placement. The underwriters are acting for and providing services to Redbubble in relation to the Entitlement Offer and the Placement and will not be acting for or providing services to Redbubble shareholders or other investors. The underwriters have been engaged solely as independent contractors and are acting solely in a contractual relationship on an arm's length basis with Redbubble. The engagement of the underwriters by Redbubble is not intended to create any agency or other relationship between the underwriters and Redbubble shareholders or other investors.

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Transaction Overview



Accelerating Redbubble's marketplace leadership in connecting more independent artists with passionate fans across the world

- ★ Redbubble to acquire TeePublic for total cash consideration of US\$41.0m (A\$57.7m)^{1, 2}
- ★ TeePublic is an on-demand commerce marketplace for independent artists to sell their designs on various products
- ★ Strong strategic and cultural alignment between Redbubble and TeePublic, with opportunities for broad range of synergies over time
- ★ TeePublic has an attractive financial profile with pro-forma FY18 Revenue of US\$25.5m (33% YoY growth) and pro-forma FY18 Operating EBITDA of US\$3.3m (33% Operating EBITDA / Gross Profit margin)³
- ★ Funded through fully underwritten A\$24.6m Entitlement Offer and A\$36.0m Placement
- ★ The transaction is expected to be completed in early November 2018

1. Total cash consideration of US\$41.0m consisting of US\$35.0m to be paid at completion and US\$6.0m to be paid 18 months post-completion, of which US\$3.0m will be subject to set-off for any indemnification obligations of the sellers
2. Converted at US\$:A\$ exchange rate of 0.71:1
3. TeePublic metrics based on 12 months ended 30 June and 3 months ended 30 September, adjusted for Redbubble's reporting standards as described on page 31; see further details on financial terms and acronyms in the glossary on page 32; TeePublic's financial results have been derived from its unaudited management accounts; TeePublic's Revenue is prepared on a consistent reporting basis with Redbubble's Product and Shipping Revenue

Strategic rationale

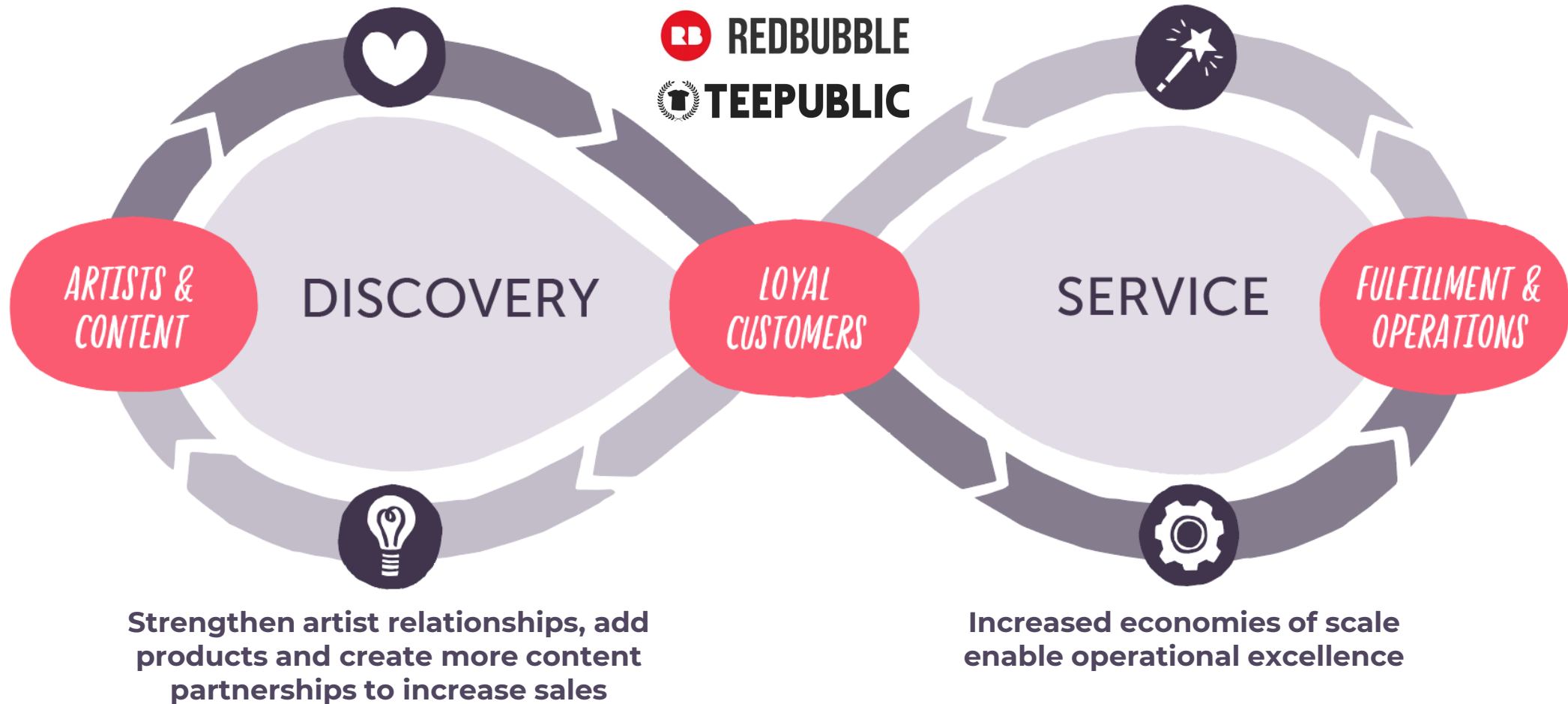


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Redbubble+TeePublic – accelerating the marketplace flywheel together

More content for deeper customer engagement driving loyalty and increasing customer lifetime value

Faster production, faster delivery and broader geographic coverage for better customer experiences



Redbubble+TeePublic positioned to emerge as the platform with scale to disrupt mainstream retail commerce

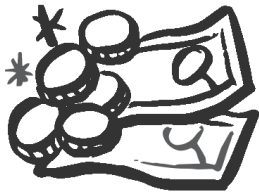
1. **Rise of the sharing economy** enabling artists to share their creativity with a global customer base at low risk
2. Increase in **consumer demand for personalisation** and self-expression enabled by the search and social media revolution
3. Improving capability of **print-on-demand** and **manufacturing-on-demand** technology making long tail content economically competitive

The TeePublic business

Similar business models and a shared mission: to create the world's largest marketplace for independent artists



TeePublic is a three-sided global online marketplace that enables artists from around the world to sell their designs on 45 products produced and fulfilled by a network of third party suppliers



Supports independent artists who earn money when they sell products printed with their designs



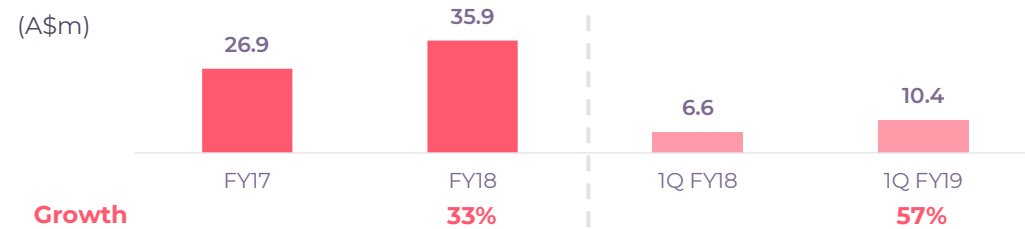
Customers can choose to purchase their favourite design on the product they want



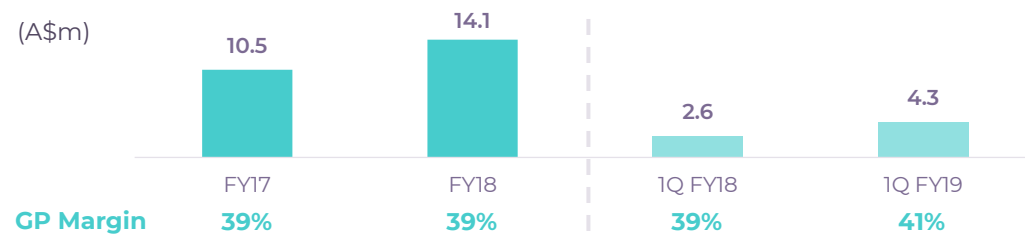
Network of third party fulfilment relationships, including a number of common fulfilment relationships with Redbubble

Attractive financial profile

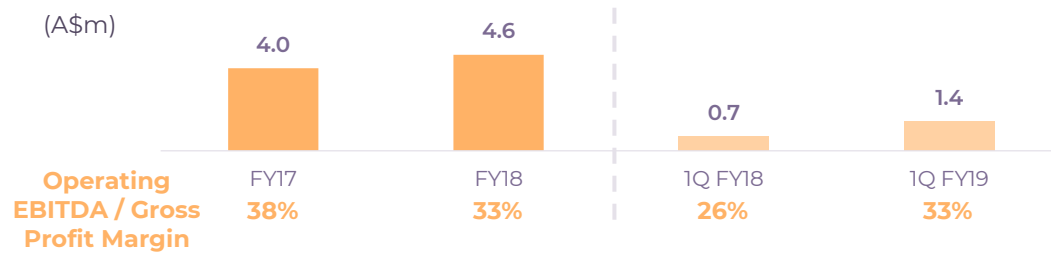
TeePublic Pro-Forma Revenue¹



TeePublic Pro-Forma Gross Profit¹



TeePublic Pro-Forma Operating EBITDA¹



TeePublic financial highlights

- ✓ Attractive 87% Revenue CAGR between CY14 and CY17²
- ✓ Strong pro-forma Revenue growth in FY18 of **33%** and **57%** in 1Q FY19 (vs. 1Q FY18)¹
- ✓ Strong history of profitability³ with **33%** pro-forma Operating EBITDA / Gross Profit margin in both FY18 and 1Q FY19¹
- ✓ Low capex business model consistent with Redbubble, generating strong free cash flows

1. TeePublic metrics based on 12 months ended 30 June and 3 months ended 30 September, adjusted for Redbubble's reporting standards as described on page 31; TeePublic's financial results have been derived from its unaudited management accounts; TeePublic's Revenue is prepared on a consistent reporting basis with Redbubble's Product and Shipping Revenue; converted at US\$:A\$ exchange rate of 0.71:1

2. Based on unadjusted and unaudited TeePublic management accounts

3. Profitable since 2014 based on unadjusted and unaudited TeePublic management accounts

Operational highlights – TeePublic and Redbubble

	Founding year	Countries where buyers and artists are located	Third party fulfilment locations	Paid to artists since inception
	2013	75+	11	A\$14m+ ¹
	2006	c.200	32	A\$100m+
	Unique customers	Selling artists and designers	Unique art works / products	Global workforce
	0.5m FY18	31k FY18	1.3m / 45	38
	4.0m FY18	299k FY18	17.6m / 66	225

As of 30 June 2018; US\$ amounts converted at US\$:A\$ exchange rate of 0.71:1

1. Latest estimate from TeePublic management

Sources: Redbubble internal data, data provided by TeePublic management

Redbubble+TeePublic – Integration, synergy potential and operating plan

+ TeePublic to operate semi-autonomously and continue to be run by Adam Schwartz, TeePublic's co-founder and current COO

- ❑ Co-founder, Josh Abramson, will remain with TeePublic until the end of December to enable a smooth transition of his responsibilities to Adam Schwartz and Redbubble's legal team. A discussion about an ongoing role will be had in January
- ❑ Key management committed to the business: CTO, Director of Ops, Director of Marketing, part-time CFO

+ Develop multi-brand strategy powered by shared artist community and fulfilment network

- ❑ Maintain and foster differentiated brand positions to reach a wider customer base
- ❑ Powered by one artist community, a global fulfilment network and a core technology platform

+ Redbubble to support TeePublic growth into new markets and new products, enable business scaling by leveraging Redbubble technology experience, operational scale and content partnerships

+ Synergy potential over time in:

- | | |
|--|--|
| ❑ Third party fulfilment efficiencies and further economies of scale | ❑ Search engine optimisation and marketing know-how |
| ❑ Customer service and support | ❑ New product launches, as well as geographic and language expansion |
| ❑ Technology platforms and data science capabilities | ❑ Marketing channels and campaigns |
| ❑ Artist on-boarding and portfolio management | |

Combined business mission to be the #1 home for independent artists to sell their content

Enable artists to reach a wider audience and target customers well

- ✓ Developing differentiated Redbubble and TeePublic brand positions over time, enabling artists to connect with more customers

One efficient platform (over time)

- ✓ Shared technology platform with all the tools, services and analytics that artists need
- ✓ Moving to a streamlined art upload process over time to make selling on both Redbubble and TeePublic easier – saving artists a significant amount of time in maintaining their online portfolios

Protecting the content and IP of creators and brand owners

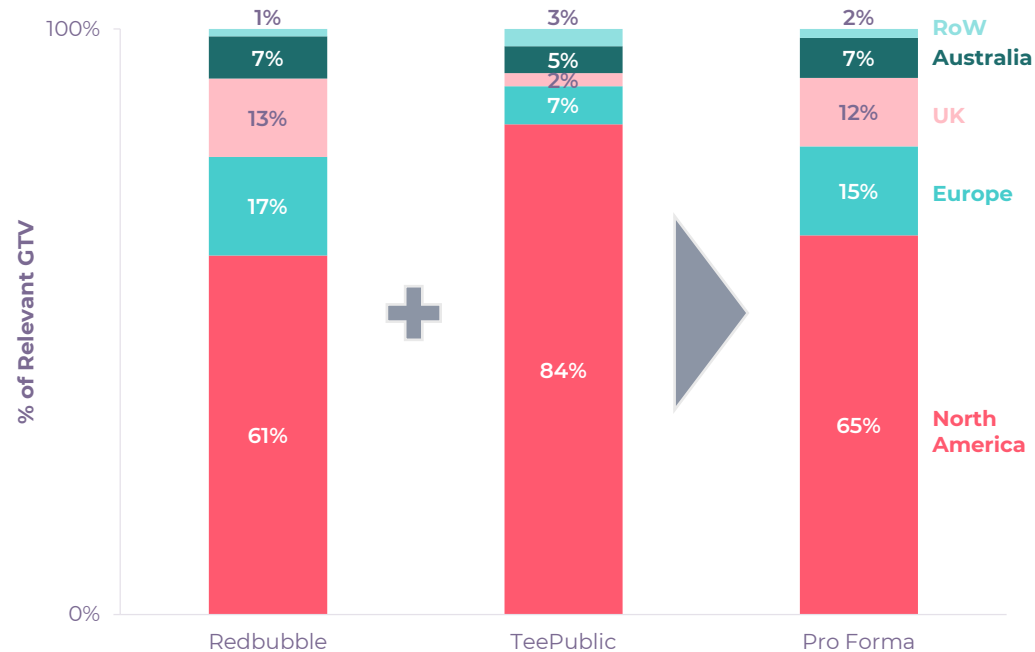
- ✓ Leveraging combined R&D to implement technology to make Redbubble and TeePublic safe places to sell art on the Internet
- ✓ Working together with rights holders to enable fan art licensing protecting IP and enabling creativity



Geographic and product mix expansion can follow the Redbubble “playbook” of localisation and fulfilment network expansion

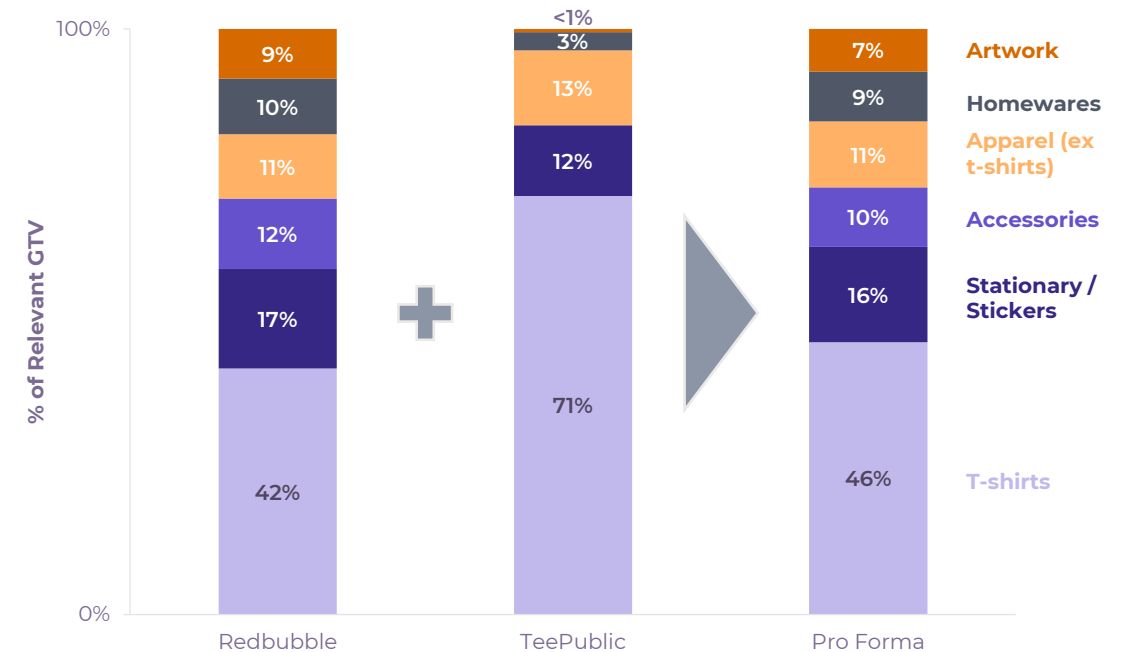
Exciting opportunities for TeePublic to follow Redbubble’s growth template in Europe and UK¹

Geographic contribution
(% of GTV; FY18)



Leverage Redbubble’s experience to accelerate the next product additions for TeePublic¹

Product contribution
(% of GTV; FY18)



Percentages may not total 100 due to rounding

1. TeePublic metrics based on 12 months ended 30 June, adjusted for Redbubble’s reporting standards as described on page 31; TeePublic’s financial results have been derived from its unaudited management accounts; TeePublic’s Revenue is prepared on a consistent reporting basis with Redbubble’s Product and Shipping Revenue; US\$ amounts converted at US\$:A\$ exchange rate of 0.71:1

Sources: Redbubble internal data and TeePublic internal data

Transaction highlights

Transaction details	• Redbubble has executed a definitive agreement to acquire all of the issued shares of TeePublic from TeePublic's founders • Total cash consideration of US\$41.0m consisting of US\$35.0m to be paid at completion and US\$6.0m to be paid 18 months post-completion, of which US\$3.0m will be subject to set-off for any indemnification obligations of the sellers • Implies enterprise value acquisition multiples of 1.6x pro-forma FY18 Revenue, 4.1x pro-forma FY18 Gross Profit and 12.5x pro-forma FY18 Operating EBITDA¹, which compare favourably to Redbubble's enterprise value trading multiples of 1.8x FY18 Revenue and 5.2x FY18 Gross Profit²
TeePublic snapshot	• TeePublic is a three-sided global online marketplace that enables artists from around the world to sell their designs on 45 products produced and fulfilled by a network of third party suppliers • Generated pro-forma FY18 Revenue of US\$25.5m, Gross Profit of US\$10.0m and Operating EBITDA of US\$3.3m¹ • TeePublic has a workforce of 38 with its headquarters in New York City • Founded by Josh Abramson and Adam Schwartz in 2013
Operating and integration strategy	• Strategy aligned with Redbubble's mission of creating the world's largest marketplace for independent artists and bringing more creativity into the world • Leveraging the scale and depth of the Redbubble platform to continue to grow TeePublic, with synergies in operations, technology capabilities and third party fulfilment networks expected over time • Redbubble's current intention is to maintain and grow the TeePublic brand as part of a multi-brand strategy • Adding new talent to the Redbubble team including Adam Schwartz, co-founder and current COO of TeePublic, who will continue to lead the TeePublic brand
Financial impact	• In FY19, Redbubble is expected to achieve a faster Revenue growth rate and generate higher gross margins and Operating EBITDA / Gross Profit margins as a result of the acquisition of TeePublic due to the underlying financial profile of the TeePublic business • Redbubble will remain debt free, with A\$28.5m cash expected on the balance sheet as at pro-forma 30 September 2018³ (including the A\$8.5m (US\$6.0m) deferred consideration amount) to support working capital needs and growth initiatives
Funding	• Acquisition and associated transaction costs will be funded through a combination of a fully underwritten A\$24.6m pro-rata non-renounceable Entitlement Offer to existing eligible shareholders and a fully underwritten A\$36.0m Placement to institutional investors
Timetable	• Detailed equity raising timetable on page 29 • The transaction is expected to complete in early November 2018, subject to the satisfaction of customary conditions precedent

1. TeePublic metrics based on 12 months ended 30 June, adjusted for Redbubble's reporting standards as described on page 31; TeePublic's financial results have been derived from its unaudited management accounts; TeePublic's Revenue is prepared on a consistent reporting basis with Redbubble's Product and Shipping Revenue

2. Implied acquisition multiples for TeePublic based on US\$41.0m enterprise value, pro-forma FY18 Revenue of US\$25.5m, pro-forma FY18 Gross Profit of US\$10.0m and pro-forma FY18 Operating EBITDA of US\$3.3m; Redbubble trading multiples based on share price of A\$1.675, basic shares outstanding of 212,940,096 as at 23 October 2018, cash balance of A\$22.1m as at 30 September 2018, no debt, FY18 Revenue of A\$182.8m and FY18 Gross Profit of A\$63.9m

3. Adjusting Redbubble's 30 September 2018 cash balance for the cash raised from the Entitlement Offer and Placement, the portion of the purchase price due at completion and estimated transaction costs

Note: Utilising US\$:A\$ exchange rate of 0.71:1



Redbubble Business Update

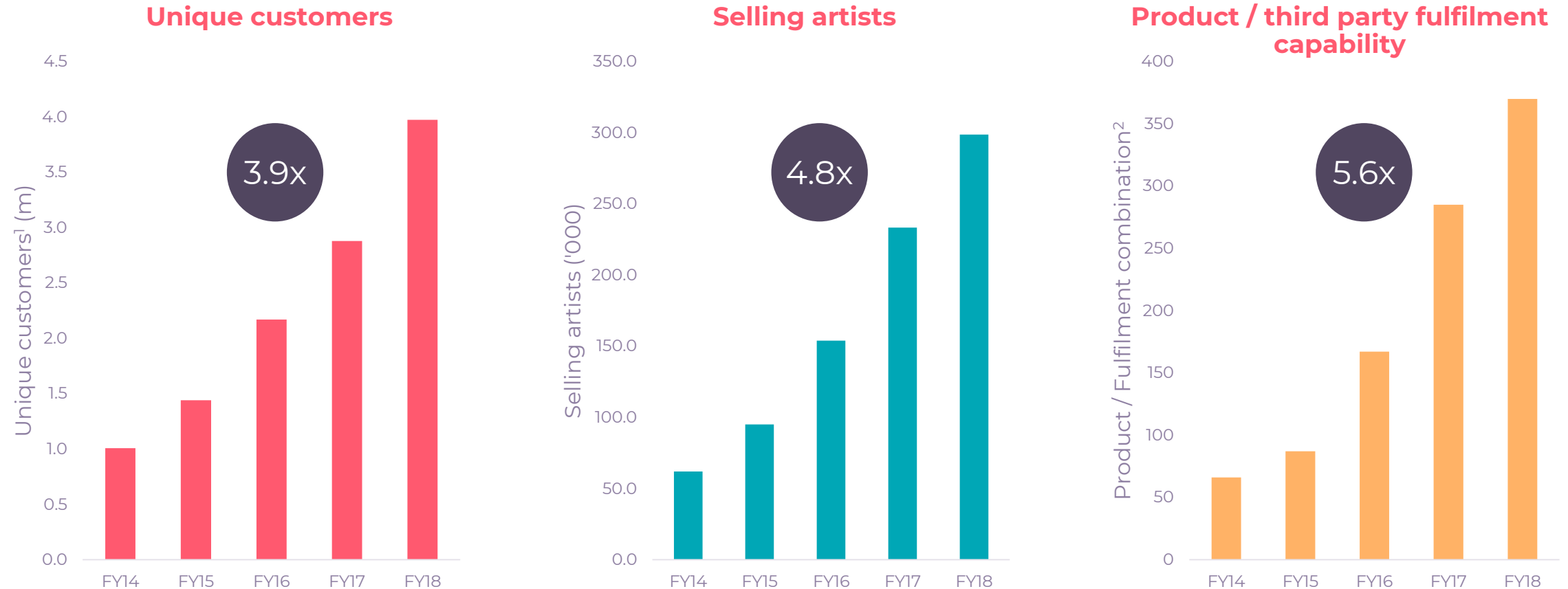
1Q FY19 business highlights



- ☆ 31.3% YoY Revenue growth, including 30.3% YoY Product and Shipping Revenue growth, on a constant currency basis¹
- ☆ Successful delivery across 'Back to School' campaigns
- ☆ Strengthening unit economics generating Gross Profit of A\$18.0 million and margins of 36.5% (based on Product and Shipping Revenue)
- ☆ Gross Profit after Paid Acquisition (GPAPA) of A\$12.6 million up 32.9% YoY, exceeding Revenue growth and evidencing strong execution across the business
- ☆ Positive cash flow of A\$0.9 million with aggregate operating + investing cash outflow of <A\$0.25 million
- ☆ Healthy marketplace metrics propelling Redbubble into upcoming holiday period

1. "Constant currency basis" reflects the underlying growth before translation to Australian dollars for reporting purposes. Redbubble sources about 94% of its GTV/Revenue in currencies other than Australian dollars

Robust marketplace dynamics driven by strong and consistent growth on all sides



1. A unique customer is defined as a unique email address
2. Number of fulfilment locations multiplied by average number of products per location
Sources: Redbubble internal data

1Q FY2019 key marketplace metrics



Commentary

- Key marketplace metrics such as number of customers, repeat customers and selling artists continue to underpin growth
- Repeat GTV growth of 48.8% reflecting strong gains in customer loyalty
- Mobile GTV growing 60.7% and now representing 41.7% of total GTV (up from 36.4% 1Q FY18)
- The mobile app contributing 5.7% of GTV 1Q FY19 (up from 2.0% 1Q FY18)
- Visits growth at 28.5% is slightly lower than other metrics due to some softness in organic search during September as a direct result of recent Google algorithm changes (refer commentary in ASX release)
- Conversion rates showing small improvement assisted by mobile conversion rate up 13.2% YoY, in turn aided by the App which is converting at 2.8x mobile web

	1Q FY2018	1Q FY2019	YoY Growth
GTV ¹	\$45.6M	\$64.1M	40.5%
Mobile GTV	\$16.6M	\$26.7M	60.7%
Repeat GTV ²	\$17.2M	\$25.5M	48.8%
Visits	57.2M	73.5M	28.5%
Conversion rate	1.8%	1.9%	2.8%
AOV ³	\$43.6	\$46.4	6.4%
Customers ⁴	0.92	1.21	31.7%
Repeat Customers ⁵	0.31	0.43	42.0%
Selling Artists	149,900	199,100	32.8%

1. GTV (Gross Transaction Value) = Total receipts from customers less fraud, refunds and chargebacks. • GTV is a non-IFRS measure that is presented to provide a better understanding of Redbubble's financial performance
2. Repeat GTV = GTV earned from customers who have previously purchased from Redbubble
3. AOV: Average Order Value (Order sales / number of orders)
4. Customers are unique customers counting only once however many times they have bought on Redbubble during the period
5. Repeat customers are customers who have purchased this period and have purchased more than once, regardless of the date of their initial purchase

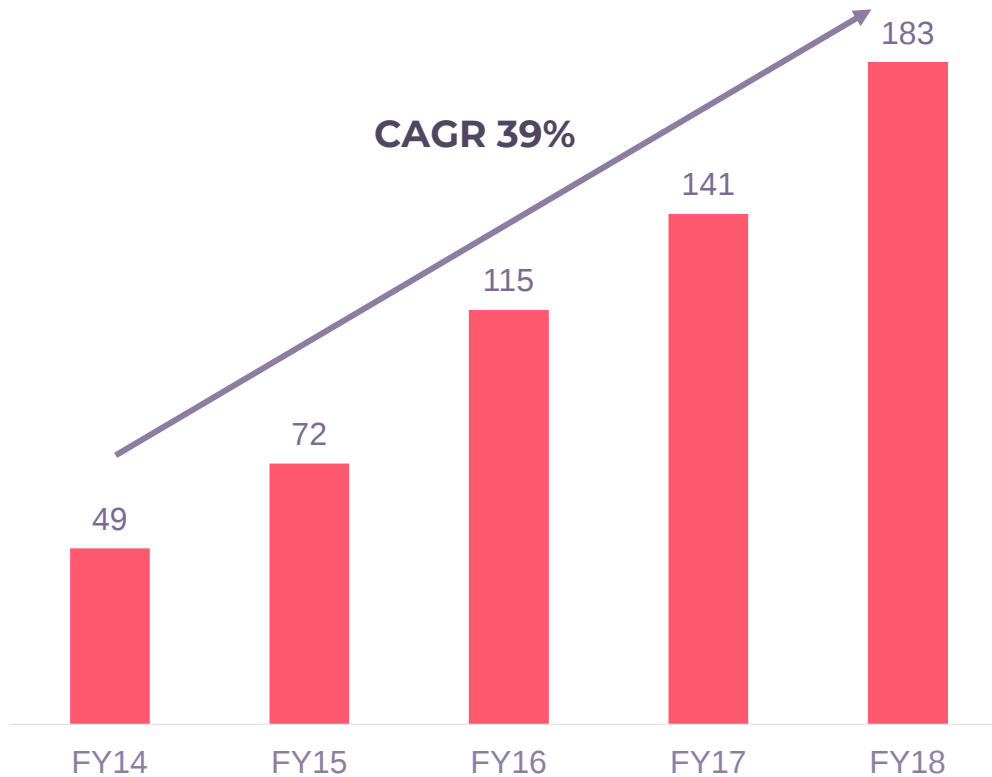
Scaling business demonstrating sustained and strong Revenue and Gross Profit growth



Revenue¹ has grown at CAGR of 39% over five years

Revenue

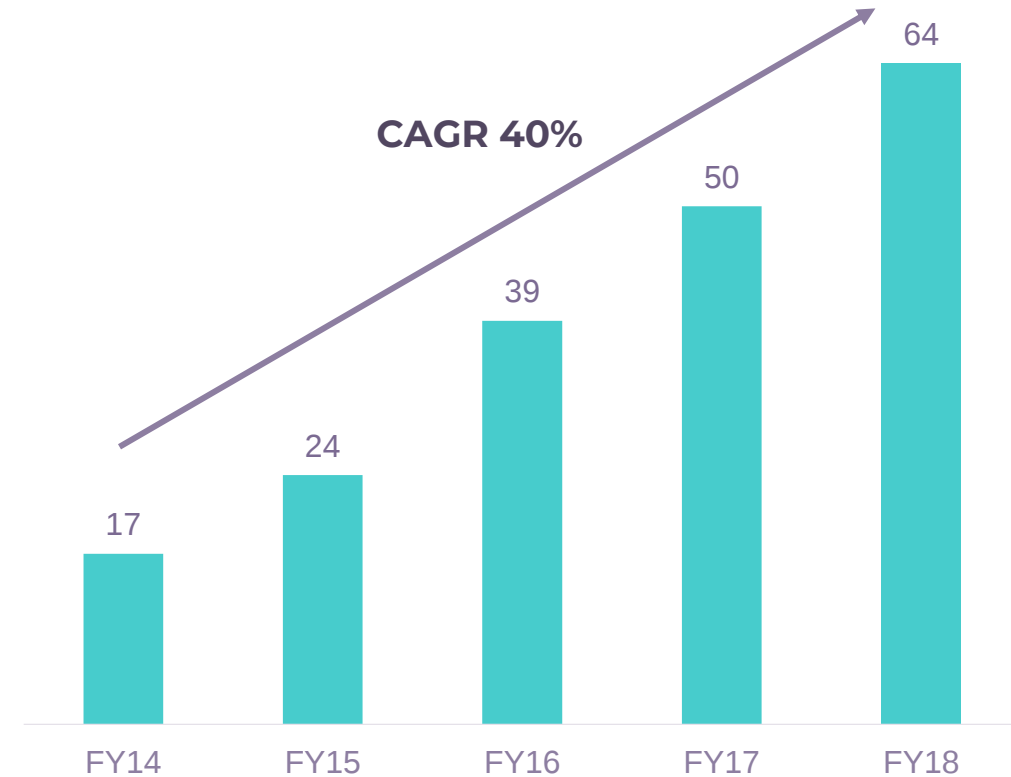
(A\$m; FY14 – FY18)



Gross Profit growing at similar rates

Gross Profit

(A\$m; FY14 – FY18)



1. Revenue numbers as previously reported. Under the new revenue recognition standard, AASB 15, which came into effect on 1 July 2018, artist margin, now referred to as Artist Revenue, is included in the Total Revenue figure reported. The previous definition of Revenue is equivalent to what is now referred to as Product and Shipping Revenue

1Q FY2019 P&L analysis



P&L (A\$M)	1Q	4Q	1Q	YoY (1Q19 v 1Q18)		QoQ (1Q19 v 4Q18)	
	FY18	FY18	FY19	Growth	CC Growth ³	Growth	CC Growth ³
GTV ¹	45.6	52.6	64.1	40.5%	31.2%	21.8%	19.0%
Total Revenue	42.3	49.9	59.6	40.7%	31.3%	19.5%	16.5%
Less Artist Revenue ²	(7.1)	(8.3)	(10.3)	46.3%	36.3%	24.7%	21.6%
Product & Shipping Revenue	35.3	41.6	49.2	39.6%	30.3%	18.4%	15.4%
Gross Profit ²	12.6	15.4	18.0	42.9%	33.6%	17.0%	14.1%
GP Margin (based on Product & Shipping Revenue)	35.6%	36.9%	36.5%				
GP Margin (based on Total Revenue)	29.7%	30.8%	30.2%				
Paid Acquisition	(3.7)	(3.9)	(5.4)	44.3%	35.2%	38.4%	34.6%
Gross Profit (after Paid Acquisition) (GPAPA) ²	8.8	11.5	12.6	42.3%	32.9%	9.7%	7.1%
GPAPA Margin (based on Total Revenue)	25.1%	27.6%	25.5%				
GPAPA Margin (based on Product & Shipping Revenue)	20.9%	23.0%	21.1%				
Operating Expenses	(10.2)	(14.8)	(13.9)	35.4%	29.1%	(6.5%)	(8.4%)
Operating EBITDA	(1.4)	(3.3)	(1.3)	8.4%	(5.3%)	61.9%	61.1%
Other Income/Expenses	(0.7)	(0.9)	(1.0)	40.3%	86.2%	17.7%	34.2%
EBITDA (Loss)/Profit	(2.1)	(4.2)	(2.3)	(8.4%)	(26.1%)	45.5%	45.0%

Commentary

- 1Q FY19 GTV and Revenue growth of >30% (CC basis¹) in line with guidance
- 1Q Gross profit increasing 33.6% YOY (CC basis*). GP Margin (based on Product & Shipping Revenue²) at 36.5%, improving significantly YoY, although lower than 4Q FY18 due to seasonal activity relating to Back to School
- 1Q GPAPA growth of 32.9% (CC basis*), higher than Revenue growth due to unpaid channel growth and efficient paid marketing spend at 10.9% of Product & Shipping Revenue (10.6% 1QFY18)
- Operating expenses on a CC basis increased by 29.1% YoY but were down 8.4% QoQ. However, neither YoY nor QoQ comparisons reflect underlying trends and **Redbubble reaffirms its guidance** that operating expenses through FY2019 will grow at a rate similar to that reported in FY2018 (FY18 opex growth was 19.3%)

1. GTV (Gross Transaction Value) = Total receipts from customers less fraud, refunds and chargebacks. • GTV is a non-IFRS measure that is presented to provide a better understanding of Redbubble's financial performance

2. Inclusion of Artist Revenue (i.e. Margin) complies with the new revenue recognition standard which came into affect on 1 July 2018. As such, Artist Revenue (i.e. Margin) are now included in Total Revenue. Product and Shipping Revenue accord with the previous Revenue classification. Artist Revenue (i.e. Margin) is also included in costs, negating any impact at a GP or GPAPA level. For ease of comparison, GP and GPAPA Margins have been calculated on both basis

3. **"Constant currency basis" reflects the underlying growth before translation to Australian dollars for reporting purposes. Redbubble sources about 94% of its GTV/Revenue in currencies other than Australian dollars

A global Australian growth stock



1 A leading global marketplace riding three major disruptions

2 Historically rapid organic scaling on the back of fundamentals

3 Combination with highly complementary TeePublic platform expected to grow Redbubble's total marketplace and enhance revenue growth and operating margins

Reiterating previous guidance for the standalone Redbubble business for FY19:

- ☆ Revenue growth at or above 30% on a constant currency basis
- ☆ Operating EBITDA range of A\$2m – A\$4m
- ☆ Cash consumption under A\$2m



Funding Overview

Overview of capital raising

Structure and size	Fully underwritten A\$60.6 million equity capital raising • Placement of 24.0 million shares to raise A\$36.0 million • 1 for 13 accelerated non-renounceable Entitlement Offer, 16.4 million shares, to raise a further A\$24.6 million
Offer price	Placement and Entitlement Offer priced at A\$1.50 per share (Offer Price): • 10.4% discount to the last traded price (A\$1.675 on 23 October 2018) • 8.9% discount to TERP¹ of A\$1.65
Ranking	• New shares issued under the Placement and Entitlement Offer will rank pari-passu with existing shares from issue • Placement shares will be issued after the record date and will not rank for participation in the Entitlement Offer
Director participation	• Chairman Richard Cawsey and Non-Executive Director Martin Hosking have indicated that they will not be taking up their entitlements under the Entitlement Offer, and those Shares will be offered to new investors via the institutional shortfall bookbuild • Martin Hosking has agreed to sub-underwrite up to A\$3.0 million of Shares under the retail component of the Entitlement Offer, and he will be paid a fee of A\$45,000 (equal to 1.5% of his A\$3.0 million sub-underwriting commitment) by the underwriters for providing this sub-underwriting commitment • Other Directors with RBL shareholdings intend to take up their entitlements, including the current Redbubble CEO and Managing Director, Barry Newstead
Use of funds	• Acquisition of 100% interest in TeePublic and transaction costs
Joint lead managers, underwriters and bookrunners	• Canaccord Genuity (Australia) Limited and Petra Capital Pty Limited

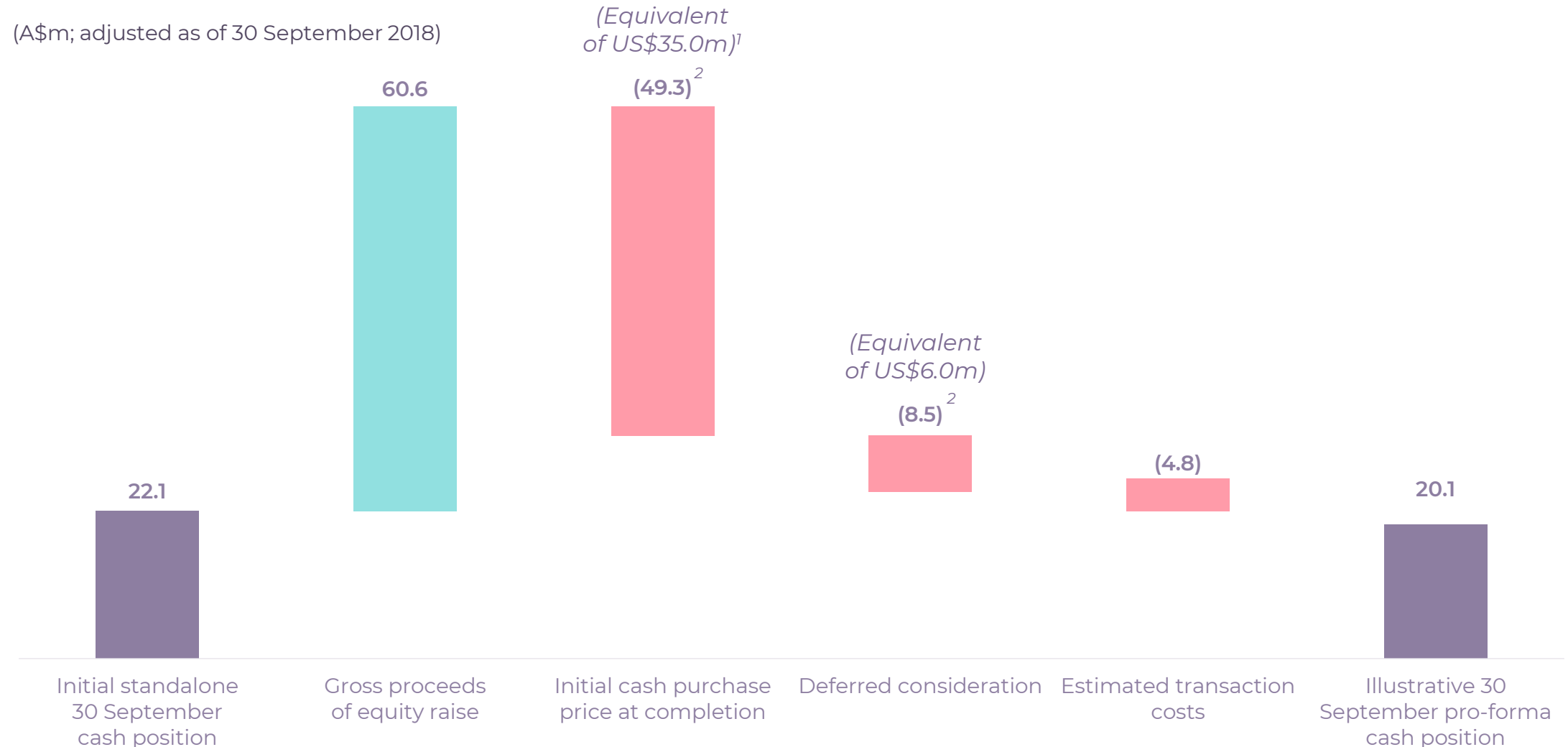
1. Theoretical ex-rights price (TERP) is a theoretical calculation only at which the price that Redbubble shares trade immediately following completion of the Placement and following the ex-date for the Entitlement Offer. The actual trading price may be different to the TERP

Source and use of funds

Uses of funds	A\$ million ^{1, 2}	Sources of funds	A\$ million
TeePublic purchase price	57.7	Placement	36.0
Transaction fees	4.8	Entitlement Offer	24.6
		Redbubble cash	2.0
Total uses	62.6	Total sources	62.6

1. Reflects a purchase price of US\$41.0 million at a US\$:A\$ exchange rate of 0.71:1. Purchase price to be made in two payments; US\$35.0 million on completion and US\$6.0 million to be paid 18 months post completion, including US\$3.0 million subject to potential set-off for vendor indemnity obligations. Payments are not subject to any earn out or other conditions other than customary conditions precedent to transaction close
2. Redbubble has purchased a call option and effectively hedged US\$34.0m of the upfront cash consideration at a minimum US\$:A\$ rate of 0.71:1

Illustrative 30 September pro-forma cash position



Adjusting 30 September 2018 cash balance by cash raised from the Entitlement Offer and Placement, the portion of purchase price due at completion and estimated transaction costs; US\$ amounts converted at US\$:A\$ exchange rate of 0.71:1

1. Redbubble has purchased a call option and effectively hedged US\$34.0m of the upfront cash consideration at a minimum US\$:A\$ rate of 0.71:1

2. Amounts to do not sum to A\$57.7m due to rounding

Equity raising details

Event	Date
Trading halt and announcement of the Acquisition, Placement and Institutional Entitlement Offer opens	Wednesday, 24 October 2018
Placement and Institutional Entitlement Offer closes	Thursday, 25 October 2018
Announcement of results of Placement and Institutional Entitlement Offer	Monday, 29 October 2018
Trading halt lifted – shares recommence trading on ASX on an “ex-entitlement” basis	Monday, 29 October 2018
Record Date for determining entitlement to subscribe for New Shares (7pm)	Monday, 29 October 2018
Retail Entitlement Offer opens	Wednesday, 31 October 2018
Retail Offer Booklet (including Entitlement and Acceptance Form) despatched	Wednesday, 31 October 2018
Settlement of Placement and Institutional Entitlement Offer	Friday, 2 November 2018
Allotment and commencement of normal trading of New Shares issued under the Placement and Institutional Entitlement Offer	Monday, 5 November 2018
Retail Entitlement Offer closes	Wednesday, 14 November 2018
Announcement of results of Retail Entitlement Offer	Monday, 19 November 2018
Settlement of New Shares under the Retail Entitlement Offer	Tuesday, 20 November 2018
Allotment of New Shares under the Retail Entitlement Offer	Wednesday, 21 November 2018
Commencement of normal trading of New Shares issued under the Retail Entitlement Offer	Thursday, 22 November 2018
Despatch of holding statements in respect of New Shares issued under the Retail Entitlement Offer	Friday, 23 November 2018

1. All dates and times are indicative and subject to change without notice
2. Australian Eastern Daylight Time



Appendices

Appendix 1:

Summary of TeePublic financial profile pro-forma adjustments

- **Revenue Recognition:** adjustment to recognise Revenue only when item shipped instead of when sales proceeds received, to align with Redbubble's accounting policy
- **Outside Creative (i.e. Artist Commission):** adjustment to treat Revenue and COGS in line with Redbubble's accounting policy prior to 1 July 2018
- **Executive Remuneration:** adjustment to include certain executive remuneration in operating expenses rather than equity distribution
- **Capitalisable Web Development expenses:** adjustment to capitalise a portion of TeePublic's web development expenses to align with Redbubble's accounting policy
- **Amortisation:** capitalised web development expenses assumed to have a useful life of 2.5 years approximating the Redbubble average useful life
- **Office Lease expense:** adjusted to reflect straight-lining of expense over the lease term to align with Redbubble's accounting policy

Appendix 2: Glossary

Financial glossary

Gross Processed Sales	Total Currency Tendered
- Refunds	Reissues for returned goods
- Fraud	Reverses for any fraudulent payments
- Chargebacks	Transactions reversed by the payment processor
Gross Transactional Value	GPS less refunds, fraud, chargebacks
- Taxes	Sales taxes assessed by the jurisdiction of sale
Total Revenue¹	GTV less taxes (recognised upon shipment) <i>(Accounting Revenue booked by RB)</i>
- Artist Revenue	Payments made to artists for sold works
Product and Shipping Revenue¹	GTV less Artist Revenue and taxes
- Cost of Goods Sold	Costs of product manufacturing, shipping and transaction fees
Gross Profit	Product and Shipping Revenue less COGS
(Gross Margin)	Gross Profit as a percentage of Product and Shipping Revenue
- Paid Acquisitions	Customer acquisition costs directly associated with generation of sales
Gross Profit after Paid Acquisitions	Gross Profit less Paid Acquisition
- Operating Expense	Costs related to personnel, infrastructure, marketing (other than Paid Acquisition) and other administration
Earnings before Interest, Taxes, Depreciation and Amortisation (Operating EBITDA)	

Acronyms

COGS (Cost of Goods Sold)

CYXX (Calendar Year)
-Jan to Dec, aligns with US fiscal years

EBITDA (Earnings before Interest, Taxes, Depreciation and Amortisation)

FYXX (Fiscal Years)
-Australian fiscal years run July to June

GP (Gross Profit)

GPAPA (Gross Profit after Paid Acquisition)

GPS (Gross Processed Sales)

GTV (Gross Transactional Value)

Operating EBITDA (EBITDA excluding share based payment expenses and foreign exchange gains and losses)

OPEX (Operating Expense)

RB (Redbubble Limited)

YoY (Year on Year)

Redbubble presents financial information in accordance with Australian Accounting Standards. The Company has also chosen to include certain non-IFRS financial information in this presentation. Please see the paragraph on 'Financial Information' in the Important Notices and Disclosure

1. "Total Revenue" is a new term for Redbubble and represents Product and Shipping Revenue plus the Artist Revenue (i.e. Margin) as required by the adoption of AASB15 Revenue from Contracts with Customers from 1 July 2018

Appendix 3: Key risks

This section discusses some of the key risks associated with an investment in shares in Redbubble. These risks may affect the future operating and financial performance of Redbubble and the value of Redbubble shares.

The risks set out below are not listed in order of importance and do not necessarily constitute an exhaustive list of all risks involved with an investment in Redbubble.

Before investing in Redbubble, you should consider whether this investment is suitable for you. Potential investors should consider publicly available information on Redbubble (such as that available on the websites of Redbubble and ASX), carefully consider their personal circumstances (including the possibility that they may lose all or a portion of their investment) and consult their professional advisers before making an investment decision. Additional risks and uncertainties that Redbubble is unaware of, or that it currently considers to be immaterial, may also become important factors that adversely affect Redbubble's operating and financial performance.

Nothing in this Presentation is financial product advice and this document has been prepared without taking into account your investment objectives or personal circumstances.

You should note that the occurrence or consequences of many of the risks described in this section are partially or completely outside the control of Redbubble, its directors and management. Further, you should note that this section focuses on the potentially key risks and does not purport to list every risk that Redbubble may have now or in the future. It is also important to note that there can be no guarantee that Redbubble will achieve its stated objectives or that any forward looking statements or forecasts contained in this Presentation will be realised or otherwise eventuate. All potential investors should satisfy themselves that they have a sufficient understanding of these matters, including the risks described in this section, and have regard to their own investment objectives, financial circumstances and taxation position.

Cooling off rights do not apply to the acquisition of New Shares.

Business risks (1 of 3)

Competition risk	Redbubble operates in a competitive landscape alongside a number of other online marketplaces and e-commerce websites with competing offerings and geographically diverse presences. There is the potential for Redbubble's business to be disrupted by new technologies or business models in the market segments in which Redbubble does business. If Redbubble is unable to compete, or if an expenditure of significant resources or significant discounting is required to compete, this could have a material adverse impact on Redbubble's business, financial performance and operations.
Failure to take advantage of industry changes	Redbubble's online marketplace depends on third party suppliers that operate in the print-on-demand market. The print-on-demand industry is characterised by rapidly changing technology, new service and product offerings, industry consolidation and evolving consumer demands. If Redbubble is unable to maintain relationships with third party suppliers that can adapt quickly to such changes, this could have a material adverse impact on Redbubble's business, financial performance and operations.
Cyber-attacks and technology platform failure risk	Redbubble relies on the performance of its technology platform to display content to artists and customers, to provide artists with the continuous ability to upload content, to facilitate orders to third-party fulfillers and to facilitate transactions between artists and customers. Redbubble may not be able to prevent material disruptions to its technology platform caused by targeted hacking attacks, distributed denial of service attacks or other disruptive attacks. Redbubble is also exposed to the risk of interference with internet services generally or through failure of the systems of outsourced IT service providers. Although Redbubble has strategies in place to minimise such attacks, these strategies may not be successful. Unavailability of the website could lead to a loss of revenue whilst Redbubble is unable to provide its services. Further, it could hinder Redbubble's ability to attract and retain artists and customers and increase their activity on Redbubble, which could have a material adverse impact on Redbubble's business, financial performance and operations.
Data security risks	Redbubble collects, transmits and stores personal and financial information provided by artists, customers and other website users. Increasingly sophisticated tools and methods used by hackers and cyberterrorists may result in Redbubble's failure or inability to adequately protect this information. The preventive measures which Redbubble takes to address these risks are costly and may become more costly in the future. Redbubble transmits personal and financial information of artists, customers and other website users to various third party suppliers of services, including 'Software-as-a-Service' and 'Infrastructure-as-a-Service' providers and other cloud-based technology providers. Redbubble is reliant on the adequacy of the security safeguards of these third parties to keep user personal and financial information secure. A material data security breach by Redbubble or one of its suppliers may result in significant regulatory action and reputational damage. If Redbubble or any of its third party service providers experience security breaches that result in the loss or unauthorised disclosure of personal information, Redbubble's artists, customers and other website users may decrease their levels of engagement with the Redbubble platform. Redbubble could also face potential liability and litigation. Any of these results could harm Redbubble's reputation, and could have a material adverse impact on Redbubble's business, financial performance and operations.
Breach of privacy and data protection laws	Redbubble is subject to the privacy and data protection laws of the jurisdictions in which it operates, including the recently enacted General Data Protection Regulation in the European Union that carries significant penalties if breached. Any actual or perceived failure by Redbubble to comply with privacy or data protection laws may lead to consequences such as the imposition of significant fines or other penalties, could harm Redbubble's reputation and could have a material adverse impact on Redbubble's business, financial performance and operations.

Business risks (2 of 3)

Intellectual property litigation risk	Although Redbubble is strictly an online marketplace service provider that does not sell or manufacture the products sold on the Redbubble marketplace and does not adopt or endorse any third party content appearing on the Redbubble website, it regularly receives notices alleging infringement of third party intellectual property rights or breach of consumer protection laws by Redbubble. While Redbubble has set up its operations to comply with the intellectual property and consumer laws of the jurisdictions in which it operates, a court may find that Redbubble's operations do not comply with the governing law. Additionally, litigation may be filed against Redbubble alleging that Redbubble is directly or indirectly liable for intellectual property infringement and/or breach of consumer laws arising from activities carried out by artists using Redbubble or as a result of third party fulfillers supplying or printing products that are available for sale by artists via the Redbubble website. Successful claims by third party rights owners against Redbubble could require Redbubble to pay substantial damages or force Redbubble to modify its business practices, both of which could have a material adverse impact on Redbubble's business, financial performance and operations. Litigation can be not only costly but also time consuming and has the potential to divert management's efforts and operational resources away from Redbubble's core business. Therefore, regardless of whether any claims made against Redbubble are valid, Redbubble may still incur significant costs and effort in defending or otherwise managing lawsuits. Additionally, as Redbubble gains greater public recognition, it may be the subject of more frequent intellectual property claims and legal filings, regardless of their merit.
Failure to attract and retain talent	Redbubble's future success depends, to a significant extent, on its ability to attract and retain skilled and experienced personnel, particularly those with expertise in the e-commerce, engineering, supply chain, product management and other technical positions. There is substantial competition for personnel with this expertise and Redbubble may incur increasing costs to attract and retain them. If Redbubble is unable to attract or retain skilled personnel, it may be unable to effectively execute its business plan or maintain or expand its operations, which, in turn, could have a material adverse impact on Redbubble's business, financial performance and operations.
Failure to attract and convert customers	Redbubble's revenues and success of its growth initiatives depend upon attracting and retaining customers to its website and converting those customers into both new and repeat customers. A decline in traffic coming to Redbubble's website or decline in the rate of conversion could adversely impact Redbubble's ability to achieve its strategic objectives and could have a material adverse impact on its business, financial performance and operations.
Shift in consumer trends	Redbubble is reliant on the consumer trend towards de-branded, made-to-order creative and personalised products. If this trend reverses or slows, this could reduce the demand for products sold via the Redbubble marketplace which, in turn, could have a material adverse impact on Redbubble's business, financial performance and operations.
Search engine risks	Redbubble endeavours to improve the rankings of Redbubble's website in search engines, a process known as Search Engine Optimisation (SEO). The algorithms and ranking criteria applied are unknown to Redbubble, and Redbubble may not understand or have access to complete information on the methods used to rank its website. Similarly, Redbubble provides a subset of its products to third party shopping platforms, such as Google's Shopping Feed. The algorithms and shopping criteria within these platforms are unknown to Redbubble. If Redbubble cannot promptly adapt to changes in search engine or shopping platform algorithms, or if Redbubble's SEO or shopping platform activities are no longer effective for any reason, the traffic coming to the Redbubble website could significantly decrease and Redbubble's conversion rates may decrease which, in turn, could have a material adverse impact on Redbubble's business, financial performance and operations.
Third party fulfiller failure risk	Third party fulfillers may fail to print sufficient quantities of products in a timely manner, suspend services, encounter financial difficulties or experience raw material or labour shortages as well as increases in raw material or labour costs. Whilst Redbubble has supplier redundancy contingency plans, a serious failure of a key third party fulfiller during a busy period could have a material adverse impact on Redbubble's business, financial performance and operations.

Business risks (3 of 3)

Indirect tax risk	The application of indirect taxes, such as goods and services tax, sales and use tax and value added tax to marketplaces such as Redbubble's and the sellers they serve is a global, complex and evolving issue. In many cases, the ultimate tax determination is uncertain because it is not clear how existing tax laws and statutes apply to marketplaces such as Redbubble's or the persons who buy or sell through those marketplaces (in the case of Redbubble, the customers and artists respectively). One or more jurisdictions (whether state or federal) in which Redbubble artists sell products may seek to impose additional reporting, record-keeping or indirect tax collection obligations on online businesses like Redbubble.
Loss of authenticity in the Redbubble marketplace	It is critical to Redbubble's mission that Redbubble's marketplace remains authentic and transparent. This authenticity could be undermined by negative publicity, the perception that Redbubble is not fairly or appropriately enforcing its policies, its failure to respond to or action feedback from artists or customers, decision making that is inconsistent with Redbubble's mission or technical or other failures. If the authenticity of Redbubble's marketplace is questioned, then Redbubble's ability to attract and retain artists and customers could be impaired and Redbubble's reputation, business, financial performance and operations could be adversely affected.
Foreign exchange risk	Redbubble's financial performance is denominated and reported in Australian dollars. Accordingly, Redbubble is exposed to exchange rate movements in the four currencies (other than the Australian dollar) in which it receives revenues and/or incurs costs. Those currencies are US Dollars, British Pounds, Euros and Canadian dollars. Redbubble's financial position, as measured by the assets and liabilities it carries on its balance sheet, is denominated and reported in Australian dollars. Some of the underlying assets and liabilities may, however, be recorded in the above four foreign currencies. Accordingly, movements in exchange rates will impact on the translation of account balances and may adversely affect Redbubble's financial position.
Other	There are a number of specific risks to which Redbubble is exposed. These include failure to attract artists, decline in content volume growth, failure to penetrate new markets, the display of controversial content on Redbubble's website, third party delivery services risk, third party fulfillers or suppliers using unethical business practices, informality of relationships with the third party fulfillers, payment gateway disruption and credit risk associated with payment gateway providers, the effectiveness of Redbubble's desktop/mobile/app platforms and marketing efforts for the sites, failure to protect Redbubble's intellectual property, changes in laws and regulations or new laws and regulations being introduced and Redbubble not achieving or maintaining profitability in the future. If any of the above risks eventuate, it could have a material adverse impact on Redbubble's business, financial performance and operations.

Acquisition risks (1 of 3)

Risks in relation to due diligence on TeePublic	Redbubble undertook a due diligence process in respect of TeePublic, which relied mostly on the review of financial and other information provided by TeePublic and its current owners. Although Redbubble considers the due diligence process undertaken to be appropriate, Redbubble has not been able to verify the accuracy, reliability or completeness of all the information which was provided to it against independent data. Similarly, Redbubble has prepared (and made assumptions in the preparation of) the financial information relating to TeePublic included in this Presentation in reliance on limited financial information and other information provided by the vendors of TeePublic. If any of the data or information provided to and relied upon by Redbubble in its due diligence process and its preparation of this Presentation proves to be incomplete, incorrect, inaccurate or misleading, there is a risk that the actual financial position, performance or prospects of TeePublic and the Combined Group may be materially different to the financial position, performance or prospects expected by Redbubble and reflected in this Presentation. Investors should also note that there is no assurance that the due diligence conducted was conclusive and that all material issues and risks in respect of the acquisition of TeePublic (the Acquisition) have been identified. Therefore, there is a risk that unforeseen issues and risks may arise, which may also have a material impact on the Combined Group. This could adversely affect the financial position, performance or prospects of the Combined Group.
Analysis of Acquisition risks	Redbubble has undertaken financial, operational, business and other analysis of TeePublic in order to determine its attractiveness to Redbubble and whether to pursue the Acquisition. It is possible that such analysis, and the best estimates and assumptions made by Redbubble, draws conclusions and forecasts which are inaccurate or which are not realised in due course (whether because of flawed methodology or misinterpretation of economic circumstances). To the extent that the actual results achieved by TeePublic are materially different from anticipated, or there are difficulties in integrating the operations of TeePublic, there is a risk that the Combined Group's financial position, performance or prospects may be materially different from the financial information reflected in this Presentation.
Completion risks	Completion of the Acquisition is conditional on certain matters, including satisfaction of certain conditions precedent to the Acquisition agreement. If any of the conditions are not met, the Acquisition may not complete on the current terms and expected timing, or at all. Where the Acquisition is not completed, Redbubble will need to consider alternative uses for, or ways to return, the proceeds of any subscriptions raised under the Entitlement Offer and Placement. Failure to complete the Acquisition and/or any action required to be taken to return capital may have a material adverse effect on Redbubble's financial position, performance or share price. In all circumstances, Redbubble may incur significant costs and be exposed to material liabilities.

Acquisition risks (2 of 3)

Integration risks	The Acquisition involves the integration of TeePublic, which carries risk including potential delays or costs in implementing necessary changes, and difficulties in integrating operations that previously operated independently. The success of the Acquisition will be dependent on the effective and timely integration of TeePublic's business alongside Redbubble's business following completion of the Acquisition. There is a risk that the integration of TeePublic may encounter unexpected challenges or issues, including: • possible difficulties in bringing together the cultures and management styles of both organisations in an effective manner; • disruption to the ongoing operations of both businesses; • higher than anticipated integration costs, including unforeseen costs relating to integration of some systems of the both of the businesses; • higher than anticipated working capital outflows to support TeePublic; • impacts from the increase in scale of the Redbubble business post-Acquisition; • integration of accounting and internal controls; and • unintended loss of key personnel or expert knowledge or reduced employee productivity due to uncertainty arising as a result of the Acquisition. A failure to fully integrate the operations of TeePublic as a result of any of the reasons above (or any other reason) could impose unexpected costs that may adversely affect the financial position, performance or prospects of the Combined Group or may result in the failure to realise expected synergies.
TeePublic specific risks	Given the similarity between the TeePublic and Redbubble businesses, TeePublic is exposed to many of the risks faced by Redbubble (as described above). These risks include, without limitation, economic factors specific to the retail industry, an inability to sustain growth, decreased demand for TeePublic's products due to changing customer preferences or competing products gaining price advantages, loss or deterioration of relationships with artists, designers or third party fulfillers or suppliers, lack of capital for continued growth, a failure to compete effectively or increased competition, information technology failures, unauthorised use or infringement of TeePublic's intellectual property or unauthorised use or infringement by TeePublic or its users of third party intellectual property and sales tax risk.
Loss of TeePublic personnel risk	While Redbubble is committed to providing a continued attractive employment environment, conditions and prospects to assist in the retention of TeePublic's key management personnel, there can be no assurance that there will be no loss of key staff leading up to and following completion of the Acquisition.
Historical liabilities risks	If the Acquisition completes, Redbubble will become directly or indirectly liable for any liabilities that TeePublic has incurred in the past or for which TeePublic is otherwise responsible. They may include liabilities which were not identified by Redbubble during its due diligence or which are greater than expected, and for which the various forms of protections negotiated by Redbubble in the Acquisition agreement (in the form of a set-off amount, representations and warranties and indemnities) may turn out to be inadequate in the circumstances. Any such liability may adversely affect the financial position, performance or prospects of the Combined Group.

Acquisition risks (2 of 3)

Integration risks	The Acquisition involves the integration of TeePublic, which carries risk including potential delays or costs in implementing necessary changes, and difficulties in integrating operations that previously operated independently. The success of the Acquisition will be dependent on the effective and timely integration of TeePublic's business alongside Redbubble's business following completion of the Acquisition. There is a risk that the integration of TeePublic may encounter unexpected challenges or issues, including: • possible difficulties in bringing together the cultures and management styles of both organisations in an effective manner; • disruption to the ongoing operations of both businesses; • higher than anticipated integration costs, including unforeseen costs relating to integration of some systems of the both of the businesses; • higher than anticipated working capital outflows to support TeePublic; • impacts from the increase in scale of the Redbubble business post-Acquisition; • integration of accounting and internal controls; and • unintended loss of key personnel or expert knowledge or reduced employee productivity due to uncertainty arising as a result of the Acquisition. A failure to fully integrate the operations of TeePublic as a result of any of the reasons above (or any other reason) could impose unexpected costs that may adversely affect the financial position, performance or prospects of the Combined Group or may result in the failure to realise expected synergies.
TeePublic specific risks	Given the similarity between the TeePublic and Redbubble businesses, TeePublic is exposed to many of the risks faced by Redbubble (as described above). These risks include, without limitation, economic factors specific to the retail industry, an inability to sustain growth, decreased demand for TeePublic's products due to changing customer preferences or competing products gaining price advantages, loss or deterioration of relationships with artists, designers or third party fulfillers or suppliers, lack of capital for continued growth, a failure to compete effectively or increased competition, information technology failures, unauthorised use or infringement of TeePublic's intellectual property or unauthorised use or infringement by TeePublic or its users of third party intellectual property and sales tax risk.
Loss of TeePublic personnel risk	While Redbubble is committed to providing a continued attractive employment environment, conditions and prospects to assist in the retention of TeePublic's key management personnel, there can be no assurance that there will be no loss of key staff leading up to and following completion of the Acquisition.
Historical liabilities risks	If the Acquisition completes, Redbubble will become directly or indirectly liable for any liabilities that TeePublic has incurred in the past or for which TeePublic is otherwise responsible. They may include liabilities which were not identified by Redbubble during its due diligence or which are greater than expected, and for which the various forms of protections negotiated by Redbubble in the Acquisition agreement (in the form of a set-off amount, representations and warranties and indemnities) may turn out to be inadequate in the circumstances. Any such liability may adversely affect the financial position, performance or prospects of the Combined Group.

Acquisition risks (3 of 3)

Change of control and termination risks	The Acquisition may trigger change of control clauses in some material supplier contracts to which TeePublic is a party. Where triggered, the change of control clause will, in most cases, require TeePublic to seek the counterparty's consent in relation to the Acquisition. There is a risk that a counterparty may not provide their consent to the Acquisition, which may trigger a termination right in favour of that counterparty or that counterparty may require a payment from Redbubble or renegotiation of terms to obtain such consent. If a significant number of the material contracts with suppliers containing a change of control clause are terminated by the counterparty or renegotiated on less favourable terms, it may have an adverse impact on the Combined Group's financial position, performance or prospects. There can be no assurance that Redbubble would be able to renegotiate such contracts on commercially reasonable terms, if at all. Additionally, as a result of the Acquisition, TeePublic's suppliers that are not bound by contract or that have rights to terminate for convenience, may elect to terminate their relationship with TeePublic. If any material suppliers terminate their relationship with TeePublic, it may have an adverse impact on the Combined Group's financial position, performance or prospects.
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Offer risks (1 of 3)

Underwriting risk

Redbubble has entered into an underwriting agreement under which Canaccord Genuity (Australia) Ltd and Petra Capital Pty Ltd (the **Underwriters**) have agreed to fully underwrite the Entitlement Offer and Placement, subject to the terms and conditions of that agreement (the **Underwriting Agreement**).

The Underwriters' obligation to underwrite the Entitlement Offer and Placement is conditional on certain customary matters, including Redbubble delivering certain shortfall notices, signoffs and opinions. Further, if certain events occur, some of which are beyond Redbubble's control, the Underwriters may terminate the Underwriting Agreement. Termination of the Underwriting Agreement would have an adverse impact on the amount of proceeds raised under the Entitlement Offer and/or Placement and could affect Redbubble's ability to pay the purchase price for the Acquisition. If the Underwriting Agreement is terminated, Redbubble will not necessarily be entitled to terminate the Acquisition agreement. In these circumstances, Redbubble would need to find alternative funding to meet its contractual obligations under the Acquisition agreement to pay the purchase price. Termination of the Underwriting Agreement could adversely affect Redbubble's business, cash flow, financial performance, financial position and share price.

The Underwriters' rights to terminate the Underwriting Agreement arise if any of the following events occur (among others):

- the Acquisition does not proceed;
- ASX announces that Redbubble will be removed from the official list of ASX or that its shares will be suspended from quotation (for any reason other than a trading halt in connection with the Offer);
- approval to the official quotation of the New Shares is not given by ASX;
- there are certain delays in the timetable for the Entitlement Offer and/or Placement without the Underwriters' consent;
- there are material financial or economic disruptions in certain key markets or hostilities commence or escalate in certain key countries;
- a material adverse change or effect, or any development involving a prospective material adverse change or effect, occurs in or affecting the assets, liabilities, financial position or performance, profits, losses or prospects of the Redbubble group (taken as a whole); and
- Redbubble withdraws the Offer.

In some cases (including the financial or economic disruptions referred to above), the Underwriters' ability to terminate the Underwriting Agreement will depend on whether the event has or is likely to have a materially adverse effect on the marketing or settlement of the Entitlement Offer and Placement, or has given or is likely to give rise to a contravention by the Underwriters of any applicable law.

Offer risks (2 of 3)

Risks associated with an investment in Redbubble shares	There are general risks associated with investments in equity capital, such as Redbubble shares. The trading price of Redbubble shares may fluctuate with movements in equity capital markets in Australia and internationally. This may result in the market price for the New Shares being less or more than the Offer Price. Generally applicable factors which may affect the market price of shares include: • general movements in Australian and international stock markets; • investor sentiment; • Australian and international economic conditions and outlook; • changes in interest rates and the rate of inflation; • changes in government legislation and policies, including taxation laws; • announcement of new technologies; • geo-political instability, including international hostilities and acts of terrorism; • demand for and supply of Redbubble shares; • announcements and results of competitors; and • analyst reports. No assurances can be given that the New Shares will trade at or above the Offer Price. None of Redbubble, its directors or any other person guarantees the market performance of the New Shares. The financial position, performance or prospects of Redbubble and Redbubble's share price may be adversely affected by the worsening of general economic conditions in Australia, the United States, the United Kingdom, Canada, Europe or any other market in which Redbubble operates, as well as international market conditions and related factors. It is also possible new risks might emerge as a result of Australian or global markets experiencing extreme stress, or existing risks may manifest themselves in ways that are not currently foreseeable.
Liquidity risk	There can be no guarantee of an active market in Redbubble shares or that the price of Redbubble shares will increase. There may be relatively few potential buyers or sellers of Redbubble shares on the ASX at any time. This may increase the volatility of the market price of Redbubble shares. It may also affect the prevailing market price at which shareholders are able to sell their shares in Redbubble.
Dilution risk	Eligible shareholders who take up their entitlements under the Entitlement Offer in full will have their percentage shareholding in Redbubble diluted as a result of the Placement. Eligible shareholders who do not participate in the Entitlement Offer, or do not take up their entitlements under the Entitlement Offer in full, will have their percentage shareholding in Redbubble further diluted and they will not be exposed to future increases or decreases in Redbubble's share price in respect of those New Shares which would have been issued to them had they taken up all of their entitlement. As the Entitlement Offer is non-renounceable, investors who do not take up all or part of their entitlement will not receive any value for the part not taken up.

Offer risks (3 of 3)

Economic risk	General economic conditions (in particular, deterioration in the global retail environment and price deflation) may negatively affect Redbubble's performance and the performance of Redbubble's shares. Any protracted slow down in economic conditions or factors such as movements in inflation or interest rates and industrial disruption may have a negative impact on Redbubble's costs and revenue.
Change in accounting standards	Accounting policy standards may change. This may affect the reported earnings of Redbubble and its financial position from time to time. There are multiple pending changes to accounting standards that may impact Redbubble, including those governing revenue from contracts with customers (AASB 15) and leases (AASB 16). Redbubble has previously and will continue to assess and disclose, when known, the impact of these change in its periodic financial reporting.
Taxation risk	Future changes in Australian taxation law, including changes in interpretation or application of the law by the courts or taxation authorities in Australia, may affect the taxation treatment of an investment in Redbubble shares or the holding and disposal of those shares. Further, changes in tax law, or changes in the way tax law is expected to be interpreted, in the various jurisdictions in which Redbubble operates, may impact the future tax liabilities of Redbubble.

Foreign selling restrictions (1 of 2)

This document does not constitute an offer of new ordinary shares (New Shares) of Redbubble in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

Hong Kong	WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the SFO). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance). No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities. The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.
New Zealand	This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the FMC Act). The New Shares are not being offered to the public within New Zealand other than to existing shareholders of Redbubble with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the FMC Act and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016. Other than in the entitlement offer, the New Shares may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who: • is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act; • meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act; • is large within the meaning of clause 39 of Schedule 1 of the FMC Act; • is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or • is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Foreign selling restrictions (2 of 2)

Singapore	This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the SFA), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA. This document has been given to you on the basis that you are (i) an existing holder of Redbubble's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) an "accredited investor" (as defined in the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore. Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.
United Kingdom	Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (FSMA)) has been published or is intended to be published in respect of the New Shares. This document is issued on a confidential basis to "qualified investors" (within the meaning of section 86(7) of the FSMA) in the United Kingdom, and the New Shares may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) of the FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom. Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to Redbubble. In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (FPO), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investments to which this document relates are available only to, and any offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.
United States	This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The New Shares have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.