



NOT FOR RELEASE OR DISTRIBUTION IN THE UNITED STATES

REDBUBBLE COMPLETES DESPATCH OF RETAIL OFFER BOOKLET

Melbourne, Australia; 31 October 2018: Redbubble Limited (ASX code: RBL, **Redbubble**) confirms that the retail entitlement offer booklet ("**Retail Offer Booklet**") and personalised entitlement and acceptance form in connection with the fully underwritten 1 for 13 pro rata accelerated non-renounceable entitlement offer ("**Entitlement Offer**"), as announced to ASX on 24 October 2018, was despatched to Eligible Retail Shareholders today.

A letter to Ineligible Retail Shareholders notifying them of the Entitlement Offer and their ineligibility to participate has also been despatched.

A copy of the Retail Offer Booklet and the letter to Ineligible Retail Shareholders is attached. A copy of the Retail Offer Booklet (and the personalised entitlement and acceptance form) is also accessible to Eligible Retail Shareholders at <http://shareholders.redbubble.com/>.

Retail Entitlement Offer

The retail component of the Entitlement Offer ("**Retail Entitlement Offer**") opens today, Wednesday, 31 October 2018, and is expected to close at 5.00pm (AEDT) on Wednesday, 14 November 2018. Application monies must be received prior to this time, in accordance with the Retail Offer Booklet and the personalised entitlement and acceptance form.

Shareholder enquiries

Eligible Retail Shareholders are encouraged to carefully read the Retail Offer Booklet for further details relating to the Retail Entitlement Offer.

If you have any questions in relation to the Retail Entitlement Offer, please call your stockbroker, accountant or other professional adviser or the Redbubble Offer Information Line on 1300 407 677 (within Australia) or +61 1300 407 677 (outside Australia) between 8.30am and 5pm (AEDT), Monday to Friday from Wednesday, 31 October 2018 to Friday, 7 December 2018.

Level 3, 271 Collins Street, Melbourne VIC 3000
PO Box 274, Flinders Lane VIC 8009
Ph: +61 3 9650 0138
Redbubble Limited
ABN 11 119 200 592



Redbubble Limited

Retail Entitlement Offer Booklet

Redbubble Limited (ACN 119 200 592)

1 for 13 pro rata accelerated non-renounceable entitlement offer of Redbubble Limited ordinary shares at an Offer Price of \$1.50 per New Share

Retail Entitlement Offer closes at 5.00pm (Melbourne time) on Wednesday, 14 November 2018

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If you are an Eligible Retail Shareholder, this Retail Offer Booklet and the personalised Entitlement and Acceptance Form that accompanies it contains important information and requires your immediate attention. You should read both documents carefully and in their entirety. This Retail Offer Booklet is not a prospectus under the *Corporations Act 2001* (Cth) (**Corporations Act**) and has not been lodged with the Australian Securities and Investments Commission (**ASIC**). If you have any questions, please call your stockbroker, accountant or other professional adviser or the Redbubble Limited Offer Information Line on 1300 407 677 (within Australia) or +61 1300 407 677 (outside Australia) between 8:30am and 5pm (Melbourne time), Monday to Friday from 31 October 2018 to 7 December 2018.

Important Notices

This Retail Offer Booklet is dated Wednesday, 31 October 2018, and has been issued by Redbubble Limited (ACN 119 200 592) (Redbubble). It relates to the Retail Entitlement Offer, which is part of the Entitlement Offer by Redbubble to raise up to \$24.6 million. Unless otherwise defined in this section, capitalised terms in this section have the meaning given to them elsewhere in this Retail Offer Booklet.

The Retail Entitlement Offer is made in accordance with section 708AA of the Corporations Act (as notionally modified by the *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84*). This Retail Offer Booklet is not a prospectus or a product disclosure statement under the Corporations Act and it has not been lodged with ASIC. This Retail Offer Booklet does not contain all of the information which would be required to be disclosed in a prospectus or a product disclosure statement. As a result, it is important for you to read and understand the publicly available information on Redbubble and the Entitlement Offer (for example, the information available on Redbubble's website at <http://shareholders.redbubble.com> or on the Australian Securities Exchange (**ASX**) website at <https://www.asx.com.au>) prior to deciding whether to accept your Entitlement and apply for New Shares. The information in this Retail Offer Booklet does not constitute financial product advice, and does not take into account your investment objectives, financial situation or particular needs.

There may be additional announcements made by Redbubble after the launch of the Entitlement Offer on Wednesday, 24 October 2018 and throughout the period that the Retail Entitlement Offer is open that may be relevant to your consideration of whether to take up or do nothing in respect of your Entitlement. Therefore, it is prudent that you check whether any further announcements have been made by Redbubble (by visiting the ASX website at <https://www.asx.com.au>) before submitting your application to take up your Entitlement or doing nothing with your Entitlement.

Please contact your stockbroker, accountant or other professional adviser or the Redbubble Offer Information Line on 1300 407 677 (within Australia) or +61 1300 407 677 (outside Australia) between 8:30am and 5pm (Melbourne time), Monday to Friday from 31 October 2018 to 7 December 2018 if you have any questions.

This Retail Offer Booklet should be read in its entirety (including the accompanying Entitlement and Acceptance Form) before you decide whether to participate in the Retail Entitlement Offer. In particular, the Investor Presentation in Section 4 of this Retail Offer Booklet details important factors and risks that could affect the financial and operating performance of Redbubble. Please refer to the "Key Risks" sections of the Investor Presentation for details. When making an investment decision in connection with the Retail Entitlement Offer, it is essential that you consider these risk factors carefully in light of your individual personal circumstances, including financial and taxation issues (some of which have been outlined in Section 3 of this Retail Offer Booklet).

In addition to reading this Retail Offer Booklet in conjunction with Redbubble's other periodic and continuous disclosure announcements, you should conduct your own independent review, investigations and analysis of Redbubble and the New Shares and obtain any professional advice you require to evaluate the merits and risks of an investment in Redbubble before making any investment decision.

By returning an Entitlement and Acceptance Form or otherwise paying for your New Shares through BPAY® in accordance with the instructions in the Entitlement and Acceptance Form, you acknowledge that you have read this Retail Offer Booklet and you have acted in accordance with and agree to the terms of the Retail Entitlement Offer detailed in this Retail Offer Booklet.

No overseas offering

The Retail Offer Booklet, the accompanying Entitlement and Acceptance Form and any accompanying ASX announcements have been prepared to comply with the requirements of the securities laws of Australia and New Zealand. To the extent that you hold Shares or Entitlements on behalf of another person resident outside Australia or New Zealand, it is your responsibility to ensure that any participation (including for your own account or when you hold Shares or Entitlements beneficially for another person) complies with all applicable foreign laws and that each beneficial owner on whose behalf you are submitting the personalised Entitlement and Acceptance Form is not in the United States and not acting for the account or benefit of a person in the United States.

This Retail Offer Booklet does not constitute an offer or invitation in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to register or qualify the Retail Entitlement Offer, the Entitlements or the New Shares, or otherwise permit the public offering of the New Shares, in any jurisdiction other than Australia and New Zealand.

The distribution of this Retail Offer Booklet (including an electronic copy) outside Australia and New Zealand may be restricted by law. If you come into possession of this Retail Offer Booklet, you should observe such restrictions and should seek your own advice on such restrictions. See the foreign selling restrictions set out in the "Foreign selling restrictions" section of the Investor Presentation included in Section 4 of this Retail Offer Booklet for more information.

Any non-compliance with these restrictions may contravene applicable securities laws.

New Zealand

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 *Financial Markets Conduct Act 2013* and the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2016*.

This document has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all

the information that a product disclosure statement under New Zealand law is required to contain.

United States

The Entitlements and the New Shares have not been and will not be registered under the US Securities Act of 1933, as amended (**US Securities Act**) or the securities laws of any state or other jurisdiction in the United States, and may not be offered, sold or resold in the United States except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and the applicable securities laws of any state or other jurisdiction in the United States.

Entitlements may not be taken up, purchased or exercised by persons in the United States or by persons who are acting for the account or benefit of persons in the United States, and New Shares may not be offered to or sold to persons in the United States or to persons who are acting for the account or benefit of persons in the United States. The Entitlements and the New Shares will be sold only in “offshore transactions” (as defined in Rule 902(h) under the US Securities Act) in compliance with Regulation S under the US Securities Act. Because of these legal restrictions, you must not distribute, release or send copies of this Retail Offer Booklet or any other material relating to the Retail Entitlement Offer to any person in the United States.

Future performance and forward looking statements

This Retail Offer Booklet contains certain “forward looking statements”. Forward looking statements can generally be identified by the use of forward looking words such as “expect”, “anticipate”, “likely”, “intend”, “propose”, “should”, “could”, “may”, “guidance”, “outlook”, “predict”, “plan”, “will”, “believe”, “forecast”, “estimate”, “target”, and other similar expressions within the meaning of securities laws of applicable jurisdictions. The forward looking statements contained in this Retail Offer Booklet are not guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of Redbubble, its directors and management, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct.

There can be no assurance that actual outcomes will not differ materially from these forward looking statements. A number of important factors could cause actual results or performance to differ materially from the forward looking statements. Investors should consider the forward looking statements contained in this Retail Offer Booklet in light of those disclosures. You are cautioned not to place undue reliance on any forward looking statements.

No representation or warranty, express or implied, is made as to the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in this Retail Offer Booklet.

The forward looking statements are based on information available to Redbubble as at the date of this Retail Offer Booklet. Except as required by law or regulation (including the ASX Listing Rules), Redbubble undertakes no obligation to provide any additional or updated information whether as

a result of new information, future events or results or otherwise.

Past performance

Investors should note that any past performance information, including past share price performance and pro forma historical information, is provided for illustrative purposes only, and cannot be relied upon as an indicator of (and provides no guarantee or guidance as to) future Redbubble performance, including future financial position or share price performance. The pro forma historical information is not represented as being indicative of Redbubble's views on its future financial condition and/or performance.

References to “you” and “your Entitlement”

In this Retail Offer Booklet, references to “you” are references to Eligible Retail Shareholders (as defined in Section 5.1) and references to “your Entitlement” (or “your personalised Entitlement and Acceptance Form”) are references to the Entitlements (or personalised Entitlement and Acceptance Form) of Eligible Retail Shareholders.

Times and dates

Times and dates in this Retail Offer Booklet are indicative only and subject to change. All times and dates refer to Melbourne time. Refer to the “Key Dates” section of this Retail Offer Booklet for more details.

Currency

Unless otherwise stated, all dollar values in this Retail Offer Booklet are in Australian dollars (A\$).

Taxation

There will be tax implications associated with participating in the Retail Entitlement Offer and receiving New Shares. Section 3 provides a general guide to the Australian income tax, goods and services tax and stamp duty implications of the Retail Entitlement Offer for Eligible Retail Shareholders. The guide does not take account of the individual circumstances of particular Eligible Retail Shareholders and does not constitute tax advice. Redbubble recommends that you consult your professional tax adviser in connection with the Retail Entitlement Offer.

Privacy

Redbubble collects information about each applicant provided on an Entitlement and Acceptance Form for the purposes of processing the Application and, if the Application is successful, to administer the applicant's shareholding in Redbubble.

By submitting an Entitlement and Acceptance Form, you will be providing personal information to Redbubble (directly or through the Share Registry). Redbubble collects, holds and will use that information to assess your Application. Redbubble collects your personal information to process and administer your shareholding in Redbubble and to provide related information to you. Redbubble may disclose your personal information for purposes related to your shareholding in Redbubble, including to the Share Registry, Redbubble's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory bodies. You can obtain access to your personal information

held by (or on behalf of) Redbubble. To make a request for access to your personal information held by (or on behalf of) Redbubble, please contact Redbubble through the Share Registry.

Governing law

This Retail Offer Booklet, the Retail Entitlement Offer, and the contracts formed on acceptance of the Applications are governed by the laws of Victoria, Australia. Each Eligible Retail Shareholder who submits an Application submits to the exclusive jurisdiction of the courts of Victoria, Australia.

No representations

No person is authorised to give any information or to make any representation in connection with the Retail Entitlement Offer which is not contained in the Retail Offer Booklet. Any information or representation in connection with the Retail Entitlement Offer not contained in the Retail Offer Booklet, the accompanying Entitlement and Acceptance Form and any accompanying ASX announcements, may not be relied upon as having been authorised by Redbubble or any of its officers in connection with the Retail Entitlement Offer.

Underwriter

Canaccord Genuity (Australia) Ltd and Petra Capital Pty Ltd (**Underwriters**) have acted as joint lead managers, bookrunners and underwriters to the Entitlement Offer (including the Retail Entitlement Offer). Neither the Underwriters, nor any of their affiliates, related bodies corporate (as that term is defined in the Corporations Act), nor their respective directors, employees, officers, representatives, agents, partners, consultants and advisers (together the **Underwriter Parties**), nor the advisers to Redbubble or any other person including clients named in this document, have authorised, permitted or caused the issue or lodgement, submission, dispatch or provision of this Retail Offer Booklet (or any other materials released by Redbubble) and none of them makes or purports to make any statement in this Retail Offer Booklet and there is no statement in this Retail Offer Booklet which is based on any statement by any of them.

The Underwriter Parties may, from time to time, hold interests in the securities of, or earn brokerage, fees or other benefits from Redbubble.

Disclaimer

Determination of eligibility of investors for the purposes of the institutional or retail components of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of Redbubble and the Underwriters. To the maximum extent permitted by law, each of Redbubble and the Underwriters and each of their respective affiliates disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion. To the maximum extent permitted by law, the Underwriter Parties disclaim all liability for any expenses, losses, damages or costs incurred by you as a result of your participation in the Retail Entitlement Offer and the information in this Retail Offer Booklet being inaccurate or due to information being omitted from this Retail Offer Booklet, whether by way of negligence or otherwise, and make no representation or warranty, express

or implied, as to the currency, accuracy, reliability or completeness of the information in this Retail Offer Booklet.

The Underwriter Parties take no responsibility for any part of this Retail Offer Booklet or liability (including, without limitation, any liability arising from fault or negligence on the part of any person) for any direct, indirect, consequential or contingent loss or damage whatsoever arising from the use of any part of this Retail Offer Booklet or otherwise arising in connection with either of them.

The Underwriter Parties make no recommendation as to whether you or your related parties should participate in the Retail Entitlement Offer nor do they make any representations or warranties, express or implied, to you concerning the Entitlement Offer or any such information, and by returning an Entitlement and Acceptance Form or otherwise paying for your New Shares through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form, you represent, warrant and agree that you have not relied on any statements made by the Underwriter Parties in relation to the New Shares or the Entitlement Offer generally.

Statements made in this Retail Offer Booklet are made only as the date of this Retail Offer Booklet. The information in this Retail Offer Booklet remains subject to change without notice.

Trading New Shares

Redbubble and the Underwriters, and each of their directors, officers, employees, agents and consultants, will have no responsibility and disclaim all liability (to the maximum extent permitted by law) to persons who trade New Shares they believe will be issued to them before they receive their holding statements, whether on the basis of confirmation of the allocation provided by Redbubble or the Share Registry or otherwise, or who otherwise trade or purport to trade New Shares in error or which they do not hold or are not entitled to.

If you are in any doubt as to these matters you should first consult with your stockbroker, accountant or other professional adviser.

No Entitlements trading

The Entitlements are non-renounceable and cannot be traded on ASX or any other exchange, nor can they be privately transferred.

No cooling-off rights

Cooling-off rights do not apply to an investment in New Shares. You cannot withdraw an Application once it has been submitted.

Table of Contents

Summary of the Retail Entitlement Offer	5
Key dates for the Retail Entitlement Offer	5
Chair's Letter	6
Section 1 Summary of options available to you	8
Section 2 Actions required by you	9
Section 3 Australian taxation considerations	16
Section 4 ASX Announcements (including Redbubble Investor Presentation)	19
Section 5 Additional information	54

Summary of the Retail Entitlement Offer

Offer Price	\$1.50 per New Share
Your Entitlement	1 New Share for every 13 existing Shares held on the Record Date

Key dates for the Retail Entitlement Offer

Event	Date
Announcement of the Entitlement Offer and the Placement	Wednesday, 24 October 2018
Record Date for eligibility in the Retail Entitlement Offer (7.00pm, Melbourne time)	Monday, 29 October 2018
Retail Entitlement Offer opens (9.00am, Melbourne time)	Wednesday, 31 October 2018
Retail Offer Booklet despatched, including personalised Entitlement and Acceptance Form	Wednesday, 31 October 2018
Retail Entitlement Offer closes (5.00pm, Melbourne time)	Wednesday, 14 November 2018
Settlement of Retail Entitlement Offer	Tuesday, 20 November 2018
Issue of New Shares under the Retail Entitlement Offer	Wednesday, 21 November 2018
Quotation and normal trading on ASX of New Shares issued under the Retail Entitlement Offer	Thursday, 22 November 2018
Despatch of holding statements	Friday, 23 November 2018

Note: The timetable above is indicative only and may change. Redbubble reserves the right to amend any or all of these dates and times subject to the Corporations Act, the ASX Listing Rules and other applicable laws. In particular, Redbubble reserves the right to extend the closing date of the Retail Entitlement Offer, to accept late applications under the Retail Entitlement Offer (either generally or in particular cases) and to withdraw or vary the Retail Entitlement Offer without prior notice. Any extension of the closing date may have a consequential effect on the issue date of New Shares. The commencement of quotation of New Shares is subject to confirmation from ASX.

No cooling off rights

Cooling off rights do not apply to an investment in New Shares. You cannot withdraw your application once it has been accepted. Eligible Retail Shareholders wishing to participate in the Retail Entitlement Offer are encouraged to submit their personalised Entitlement and Acceptance Form as soon as possible after the Retail Entitlement Offer opens.

Enquiries

If you have any questions, please call the Redbubble Offer Information Line on 1300 407 677 (within Australia) or +61 1300 407 677 (outside Australia). The Redbubble Offer Information Line will be open from 8.30am to 5.00pm (Melbourne time), Monday to Friday from 31 October 2018 to 7 December 2018.

Alternatively, contact your stockbroker, accountant or other professional adviser.

Chair's Letter

31 October 2018

Dear Redbubble Shareholder,

On behalf of the Redbubble Limited board, I am pleased to invite you to participate in a 1 for 13 pro rata accelerated non-renounceable entitlement offer of new Redbubble ordinary shares (**New Shares**) at an offer price of \$1.50 per New Share (**Offer Price**), to raise gross proceeds of up to \$24.6 million (**Entitlement Offer**).

The proceeds of the Entitlement Offer are intended to be used to fund the acquisition of TeePublic (**Acquisition**).

About the Acquisition

As announced on Wednesday, 24 October 2018, Redbubble has entered into a binding agreement to acquire TeePublic for US\$41 million in cash (\$57.7 million)¹.

TeePublic is a three-sided global online marketplace that enables a curated community of artists from around the world to sell their designs across 45 product types that are produced and fulfilled by a network of third party suppliers. TeePublic was founded in 2013 and has a workforce of 38 based in New York City. In FY2018, TeePublic generated pro-forma Revenue of US\$25.5m, pro-forma Gross Profit of US\$10m and pro-forma Operating EBITDA of US\$3.3m².

For Redbubble, the TeePublic acquisition is both strategically and financially compelling. Strategically it expands our online marketplace to connect more independent artists with passionate fans across the world and creates a second brand into an additional customer demographic. Financially, TeePublic adds to profitability at the EBITDA level and will support the group's emerging operating leverage. The acquisition is expected to complete in November 2018, subject to the satisfaction of customary conditions precedent.

Further information about the Acquisition, including its strategic and financial benefits, is in Redbubble's market release and investor presentation lodged with the ASX on Wednesday, 24 October 2018 (and included in this Retail Offer Booklet in Section 4).

Details of the Entitlement Offer

The Entitlement Offer comprises an institutional component (**Institutional Entitlement Offer**) and a retail component (**Retail Entitlement Offer**), and is being conducted in conjunction with a placement of ordinary shares to institutional investors to raise up to \$36 million (**Placement**), as announced on Wednesday, 24 October 2018. The Offer Price is the same as the offer price under the Placement. As announced to ASX on Monday, 29 October 2018, Redbubble has successfully completed the Institutional Entitlement Offer, raising approximately \$16 million for Redbubble. The Retail Entitlement Offer is expected to raise up to \$8.4 million. Both the Entitlement Offer and the Placement are fully underwritten.

Under the Retail Entitlement Offer, Eligible Retail Shareholders (as defined in Section 5.1) are being offered the opportunity to subscribe for 1 New Share for every 13 existing Redbubble ordinary shares (**Shares**) held on the Record Date of 7.00pm (Melbourne time) on Monday, 29 October 2018 (**Entitlements**). The Offer Price of \$1.50 per New Share represents an approximate 10.4% discount to

¹ Converted at US\$:A\$ exchange rate of 0.71:1; the cash consideration consists of US\$35m to be paid at completion and US\$6m to be paid 18 months post-completion.

² TeePublic metrics based on 12 months ended 30 June, adjusted for Redbubble's reporting standards; TeePublic's financial results have been derived from its unaudited management accounts.

the closing share price of \$1.675 on Tuesday, 23 October 2018, being the last trading day before the Entitlement Offer was launched.

Other information

This offer booklet (**Retail Offer Booklet**) relates to the Retail Entitlement Offer. This Retail Offer Booklet contains important information about the Retail Entitlement Offer and Redbubble's business under the following headings:

- Key dates;
- Summary of options available to you;
- Actions required by you (including instructions on how to participate in the Retail Entitlement Offer if you choose to do so);
- Australian taxation considerations;
- ASX announcements (including the Investor Presentation, which provides information on Redbubble, including information relating to the Acquisition, and a summary of some of the key risks associated with an investment in Redbubble); and
- Important information.

Accompanying this Retail Offer Booklet is your personalised Entitlement and Acceptance Form which contains details of your Entitlement. Your Entitlement may have value and it is important that you determine whether to take up or do nothing in respect of your Entitlement. If you choose to do nothing, your Entitlement will lapse and you will receive no value for your Entitlement.

The Retail Entitlement Offer closes at 5.00pm (Melbourne time) on Wednesday, 14 November 2018.

To participate, you need to ensure that you have completed your application by paying the Offer Price multiplied by the number of New Shares you are applying for (**Application Monies**) by BPAY®, or by lodging your personalised Entitlement and Acceptance Form with your Application Monies paid by cheque, bank draft or money order so that they are received before this time in the manner described in this Retail Offer Booklet.

Please carefully read this Retail Offer Booklet in its entirety before you invest and consult your stockbroker, solicitor, accountant or other professional adviser before making your investment decision. In particular, you should read and consider the "Key risks" section of the Investor Presentation included in Section 4 of this Retail Offer Booklet which contains a summary of some of the key risks associated with an investment in Redbubble.

If you have any questions in respect of the Entitlement Offer please call the Redbubble Offer Information Line on 1300 407 677 (within Australia) or +61 1300 407 677 (outside Australia) at any time from 8.30am to 5.00pm (Melbourne time), Monday to Friday from 31 October 2018 to 7 December 2018. Please consult your stockbroker, accountant or other professional adviser before making your investment decision.

On behalf of the Board of Redbubble, I thank you for your continued support and encourage you to consider this investment opportunity.

Yours faithfully,



Richard Cawsey
Chair

Section 1 Summary of options available to you

If you are an Eligible Retail Shareholder (as defined in Section 5.1) you may take any one of the following actions:

- take up all of your Entitlement;
- take up some of your Entitlement and allow the balance to lapse; or
- do nothing, in which case your Entitlement will lapse and you will receive no value for your lapsed Entitlement.

The Retail Entitlement Offer closes at 5.00pm on Wednesday, 14 November 2018.

If you are a retail shareholder that is not an Eligible Retail Shareholder (as defined in Section 5.1), you are an Ineligible Retail Shareholder. Ineligible Retail Shareholders are not entitled to participate in the Retail Entitlement Offer.

Options available to you	Key considerations
1. Take up all of your Entitlement	• You may elect to purchase New Shares at the Offer Price (see Section 2.4.1 for instructions on how to take up your Entitlement). • The New Shares will rank equally in all respects with existing Shares (including rights to dividends and distributions).
2. Take up part of your Entitlement	• If you do not take up your Entitlement in full, that portion of your Entitlement not taken up will lapse and you will not receive any payment or value for them. • If you do not take up your Entitlements in full, your percentage holding in Redbubble will be diluted.
3. Do nothing, in which case your Entitlements will lapse and you will receive no payment or value for those lapsed Entitlements	• If you do not take up any of your Entitlements, you will not be allocated New Shares and your Entitlements will lapse. Your Entitlements are non-renounceable, which means your Entitlements are non-transferrable and cannot be sold, traded on ASX or any other exchange, nor can they be privately transferred. • You will not receive any payment or value for those Entitlements not taken up. • Although you will continue to own the same number of Redbubble shares, your percentage holding in Redbubble will be diluted.

Section 2 Actions required by you

2.1 Overview of the Entitlement Offer

Redbubble intends to raise up to \$24.6 million under the Entitlement Offer. As part of the Entitlement Offer, Eligible Retail Shareholders (as defined in Section 5.1) are being offered the opportunity to subscribe for 1 New Share for every 13 existing Shares held as at 7.00pm (Melbourne time) on Monday, 29 October 2018 (**Record Date**), at the Offer Price of \$1.50 per New Share.

The Entitlement Offer is comprised of:

- **Institutional Entitlement Offer** – eligible institutional shareholders were given the opportunity to take up all or some of their Entitlements at the Offer Price of \$1.50 per New Share. Entitlements under the Institutional Entitlement Offer were non-renounceable. In total, approximately \$16 million was raised in the Institutional Entitlement Offer; and
- **Retail Entitlement Offer** – Eligible Retail Shareholders are being offered Entitlements under the Retail Entitlement Offer which can be taken up in whole or in part. Entitlements are non-renounceable and are not tradeable or otherwise transferable.

The Entitlement Offer is fully underwritten. Canaccord Genuity (Australia) Ltd and Petra Capital Pty Ltd have been appointed by Redbubble as Underwriters of the Entitlement Offer (**Underwriters**).

You have a number of decisions to make in respect of your Entitlement. These decisions may materially affect the value (if any) that may be received in respect of your Entitlement. You should read this Retail Offer Booklet carefully before making any decisions in relation to your Entitlement.

Further details on the Retail Entitlement Offer are set out below.

2.2 The Retail Entitlement Offer

The Retail Entitlement Offer opens at 9.00am (Melbourne time) on Wednesday, 31 October 2018 and will close at 5.00pm (Melbourne time) on Wednesday, 14 November 2018.

The Retail Entitlement Offer is being made pursuant to section 708AA of the Corporations Act (as modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84*), which allows rights issued to be offered without a prospectus, provided certain conditions are satisfied. This Retail Offer Booklet does not contain all of the information which may be required in order to make an informed decision regarding an application for New Shares offered under the Retail Entitlement Offer. As a result, it is important for you to read carefully and understand the information on Redbubble and the Retail Entitlement Offer made publicly available, including the information lodged by Redbubble with ASX as part of its continuous disclosure obligations, prior to deciding whether to take up all or some of your Entitlement or do nothing in respect of your Entitlement. In particular, please refer to this Retail Offer Booklet and other announcements made available at <https://www.asx.com.au> (including announcements which may be made by Redbubble after publication of this Retail Offer Booklet).

Please consult with your stockbroker, accountant or other professional adviser if you have any queries or are uncertain about any aspect of the Retail Entitlement Offer.

Eligible Retail Shareholders should be aware that an investment in Redbubble involves risks. The key risks identified by Redbubble are set out in the “Key risks” section of the Investor Presentation (enclosed in Section 4 of this Retail Offer Booklet).

2.3 Your Entitlement

Your Entitlement is set out on the accompanying personalised Entitlement and Acceptance Form and have been calculated as 1 New Share for every 13 existing Shares you held as at the Record Date. If the result is not a whole number, your Entitlement has been rounded up to the nearest whole number of New Shares.

If you have more than one registered holding of Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have a separate Entitlement for each separate holding.

New Shares issued under the Retail Entitlement Offer will be fully paid and from allotment rank equally in all respects with existing Shares and will be entitled to dividends/distributions on the same basis as existing Shares.

See Sections 5.1 and the 'Important Notices' section (particularly under the heading 'No overseas offering') for information on restrictions on participation in the Retail Entitlement Offer.

2.4 Options available to you

If you are an Eligible Retail Shareholder, you may take any of the following actions. Each of these options may have a materially different outcome on any value you receive in respect of your Entitlement:

- (a) take up your Entitlement in full (see Section 2.4.1); or
- (b) take up part of your Entitlement, in which case the balance of your Entitlement would lapse (see Section 2.4.2); or
- (c) do nothing, in which case your Entitlement will lapse and you will receive no payment or value for your lapsed Entitlement (see Section 2.4.3).

The Entitlements are non-renounceable and will not be tradeable or otherwise transferable. Shareholders who do not take up their Entitlement in full will not receive any payment or value for any part of their Entitlement they do not take up. Their percentage holding in Redbubble will be diluted.

Redbubble reserves the right to reject any Entitlement and Acceptance Form that is not correctly completed or that is received after the Retail Entitlement Offer closes. The Retail Entitlement Offer closes at 5.00pm on Wednesday, 14 November 2018 (however, that date may be varied by Redbubble, subject to the Corporations Act, the ASX Listing Rules and other applicable laws).

2.4.1 Taking up all of your Entitlement

If you wish to take up all of your Entitlement, please either:

- complete and return the personalised Entitlement and Acceptance Form with the requisite Application Monies; or
- pay your Application Monies via BPAY® by following the instructions set out on the personalised Entitlement and Acceptance Form,

in each case, by no later than 5.00pm (Melbourne time) on Wednesday, 14 November 2018.

Application Monies received by Redbubble in excess of the amount in respect of your Entitlement will be refunded as soon as practicable after the close of the Retail Entitlement Offer. No interest will be paid to you on any Application Monies received or refunded.

If you take up and pay for all or some of your Entitlement before the close of the Retail Entitlement Offer, it is expected that you will be issued New Shares on Wednesday, 21 November 2018.

2.4.2 Take up part of your Entitlement and allow the balance to lapse

If you wish to take up some of your Entitlement, please either:

- complete and return the personalised Entitlement and Acceptance Form with the requisite Application Monies; or
- pay your Application Monies via BPAY® by following the instructions set out on the personalised Entitlement and Acceptance Form,

in each case, by no later than 5.00pm (Melbourne time) on Wednesday, 14 November 2018.

If Redbubble receives an amount that is less than the Offer Price multiplied by your Entitlement, your payment may be treated as an Application for as many New Shares as your Application Monies will pay for in full at the Offer Price and the excess amount will be refunded as soon as practicable after the close of the Retail Entitlement Offer. No interest will be paid to you on any Application Monies received or refunded.

2.4.3 Allowing your Entitlement to lapse

If you take no action, you will not be allocated New Shares and your Entitlement will lapse.

2.5 Payment

You can pay in the following ways:

- by BPAY®; or
- by cheque, bank draft, or money order.

Cash payments will not be accepted. Receipts for payment will not be issued. Redbubble will treat you as applying for as many New Shares as your payment will pay for in full at the Offer Price.

Any Application Monies received for more than your final allocation of New Shares will be refunded as soon as practicable after the close of the Retail Entitlement Offer. No interest will be paid to applicants on any Application Monies received or refunded.

2.5.1 Payment by BPAY®

For payment by BPAY®, please follow the instructions on the personalised Entitlement and Acceptance Form. You can only make payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

If you are paying by BPAY®, please make sure you use the specific Biller Code and your unique Customer Reference Number (**CRN**) on your personalised Entitlement and Acceptance Form. If you have multiple holdings and consequently receive more than one personalised Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those holdings only, use the CRN specific to that holding. If you do not use the correct CRN specific to that holding your application will not be recognised as valid.

Please note that should you choose to pay by BPAY®:

- you do not need to submit your personalised Entitlement and Acceptance Form but you are deemed to have made the declarations, representations and warranties on that personalised Entitlement and Acceptance Form and in Section 2.6; and
- if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares as is covered in full by your Application Monies.

It is your responsibility to ensure that your BPAY® payment is received by the Share Registry by no later than 5.00pm (Melbourne time) on Wednesday, 14 November 2018. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment, and you should take this into consideration in the timing of when you make payment.

2.5.2 Payment by cheque, bank draft or money order

For payment by cheque, bank draft or money order, you should complete your personalised Entitlement and Acceptance Form in accordance with the instructions on the form and return it accompanied by a cheque, bank draft or money order in Australian currency for the amount of the Application Monies, payable to **“Redbubble Limited Entitlement Offer”** and crossed **“Not Negotiable”**.

Your cheque, bank draft or money order must be:

- for an amount equal to the full Application Monies (being \$1.50 multiplied by the number of New Shares that you are applying for); and
- in Australian currency drawn on an Australian branch of a financial institution. Payment cannot be made in New Zealand dollars. New Zealand resident shareholders must arrange for payment to be made in Australian dollars.

If payment is made by cheque, you should ensure that sufficient funds are held in relevant account(s) to cover the Application Monies as your cheque will be processed on the day of receipt. If the amount of your cheque, bank draft or money order for Application Monies (or the amount for which a cheque clears in time for allocation) is insufficient to pay in full for the number of New Shares you have applied for in your personalised Entitlement and Acceptance Form, you will be taken to have applied for such lower whole number of New Shares as your cleared Application Monies will pay for (and to have specified that number of New Shares on your personalised Entitlement and Acceptance Form) and to have made the representations and warranties in Section 2.6. Alternatively, your application will not be accepted.

Application Monies received by Redbubble in excess of the amount in respect of your Entitlement will be refunded as soon as practicable after the close of the Retail Entitlement Offer. No interest will be paid to you on any Application Monies received or refunded.

Please return your completed personalised Entitlement and Acceptance Form together with Application Monies to:

Mailing Address

Redbubble Limited
C/- Link Market Services Limited
GPO Box 3560
SYDNEY NSW 2001

Hand Delivery

Redbubble Limited
C/- Link Market Services Limited
1A Homebush Bay Drive
RHODES NSW 2138 *(Please do not use this address for mailing purposes)*

Personalised Entitlement and Acceptance Forms and Application Monies will not be accepted at Redbubble's registered or corporate offices or other offices of the Share Registry.

2.6 Representations by acceptance

A payment made through BPAY® or a completed and lodged Entitlement and Acceptance Form together with the payment of requisite Application Monies constitutes a binding offer to acquire New Shares on the terms and conditions set out in this Retail Offer Booklet and, once lodged or paid, cannot be withdrawn. If the Entitlement and Acceptance Form is not completed correctly, it may still be treated as a valid Application for New Shares. Redbubble's decision as to whether to treat an acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final.

By completing and returning your personalised Entitlement and Acceptance Form with the requisite Application Monies or making a payment by BPAY® or otherwise applying to participate, you will be deemed to have represented and warranted to Redbubble on behalf of yourself and each person on whose account you are acting that you are an Eligible Retail Shareholder and you:

- acknowledge that you have received, read and understand this Retail Offer Booklet and your personalised Entitlement and Acceptance Form in their entirety;

- agree to be bound by the terms of the Retail Entitlement Offer, the provisions of this Retail Offer Booklet, and Redbubble's constitution;
- authorise Redbubble to register you as the holder of New Shares allotted to you;
- declare that all details and statements in the personalised Entitlement and Acceptance Form are complete, accurate and up to date;
- declare you are over 18 years of age and have full legal capacity and power to perform all of your rights and obligations under the personalised Entitlement and Acceptance Form;
- acknowledge that there is no cooling off period under the Retail Entitlement Offer and that once Redbubble receives your personalised Entitlement and Acceptance Form or any payment of Application Monies via BPAY®, you may not withdraw your application or funds provided except as allowed by law;
- agree to apply for and be issued up to the number of New Shares specified in the personalised Entitlement and Acceptance Form, or for which you have submitted payment of any Application Monies via BPAY®, at the Offer Price per New Share;
- authorise Redbubble, the Underwriters, the Share Registry and their respective officers or agents to do anything on your behalf necessary for New Shares to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in your personalised Entitlement and Acceptance Form;
- acknowledge and agree that:
 - determination of eligibility of investors for the purposes of the institutional or retail components of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of Redbubble and/or the Underwriter; and
 - each of Redbubble and the Underwriters, and each of their respective affiliates, disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law;
- declare that you were the registered holder(s) at the Record Date of the Shares indicated on the personalised Entitlement and Acceptance Form as being held by you on the Record Date;
- acknowledge that the information contained in this Retail Offer Booklet and your personalised Entitlement and Acceptance Form is not investment advice nor a recommendation that New Shares are suitable for you given your investment objectives, financial situation or particular needs;
- acknowledge that this Retail Offer Booklet is not a prospectus, does not contain all of the information that you may require in order to assess an investment in Redbubble and is given in the context of Redbubble's past and ongoing continuous disclosure announcements to ASX;
- acknowledge the statement of risks in the "Key risks" section of the Investor Presentation contained in Section 4 of this Retail Offer Booklet, and that investments in Redbubble are subject to risk;
- acknowledge that none of Redbubble, the Underwriters, or their respective related bodies corporate and affiliates and their respective directors, contractors, partners, officers, partners, employees, representatives, agents, consultants or advisers, guarantees the performance of the New Shares or the performance of Redbubble, nor do they guarantee the repayment of capital from Redbubble;

- agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Retail Entitlement Offer and of your holding of Shares on the Record Date;
- authorise Redbubble to correct any errors in your personalised Entitlement and Acceptance Form or other form provided by you;
- represent and warrant (for the benefit of Redbubble, the Underwriters, and their related bodies corporate and affiliates) that you did not participate in the Institutional Entitlement Offer either directly or through a nominee, are not an Ineligible Retail Shareholder and are otherwise eligible to participate in the Retail Entitlement Offer;
- represent and warrant that the law of any place does not prohibit you from being given access to this Retail Offer Booklet and the personalised Entitlement and Acceptance Form, nor does it prohibit you from making an application for New Shares and that you are otherwise eligible to participate in the Retail Entitlement Offer;
- represent and warrant that you are not in the United States and you are not a person (including a nominee or custodian) acting for the account or benefit of a person in the United States, and are not otherwise a person to whom it would be illegal to make an offer or issue of New Shares under the Retail Entitlement Offer;
- understand and acknowledge that the Entitlements and the New Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction in the United States, and that accordingly the Entitlements may not be taken up or exercised by persons in the United States or by persons who are acting for the account or benefit of a person in the United States. You further acknowledge that New Shares offered and sold pursuant to the Retail Entitlement Offer may not only be offered or sold, directly or indirectly, in the United States, except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and any other applicable securities laws;
- are subscribing for Entitlements or purchasing New Shares in an “offshore transaction” (as defined in Rule 902(h) under the US Securities Act) in compliance with Regulation S under the US Securities Act;
- have not and will not send this Retail Offer Booklet, the personalised Entitlement and Acceptance Form or any other materials relating to the Retail Entitlement Offer to any person in the United States or any other country outside Australia and New Zealand;
- if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the personalised Entitlement and Acceptance Form is resident in Australia or New Zealand and is not in the United States and is not acting for the account or benefit of a person in the United States, and you have not sent this Retail Offer Booklet, the personalised Entitlement and Acceptance Form or any information relating to the Retail Entitlement Offer to any such person; and
- make all other representations and warranties set out in this Retail Offer Booklet.

2.7 Enquiries

If you have not received or you have lost your personalised Entitlement and Acceptance Form, or have any questions regarding the Entitlement Offer, please contact the Redbubble Offer Information Line on 1300 407 677 (within Australia) or +61 1300 407 677 (outside Australia). The Redbubble Offer Information Line will be open from 8.30am to 5.00pm (Melbourne time), Monday to Friday from 31 October 2018 to 7 December 2018. Alternatively, you can access information about the Retail Entitlement

Offer online at <http://shareholders.redbubble.com>. If you have any further questions, you should contact your stockbroker, accountant or other professional adviser.

Section 3 Australian taxation considerations

3.1 General

Set out below is a general summary of the Australian income tax, goods and services tax (**GST**) and stamp duty implications associated with the subscription of New Shares for certain Eligible Retail Shareholders.

The summary does not take account of the individual circumstances, financial objectives, tax positions, or investment needs of particular Eligible Retail Shareholders and does not constitute tax advice. The tax implications associated with subscribing for New Shares will vary depending on your particular circumstances. Neither Redbubble nor any of its officers or employees, nor its taxation or other advisers, accepts any liability or responsibility in respect of any statement concerning taxation consequences, or in respect of the taxation consequences.

You should consult your own professional tax adviser regarding the consequences of subscribing to New Shares to you in light of your particular circumstances.

The comments in this section deal only with the Australian taxation implications associated with subscribing for the New Shares if you:

- are a resident for Australian income tax purposes; and
- hold your Shares on capital account.

The comments do not apply to you if you:

- are not a resident for Australian income tax purposes; or
- hold your Shares as revenue assets or trading stock (which will generally be the case if you are a bank, insurance company or carry on a business of share trading), or acquired your Shares for the purpose of on-sale at a profit; or
- acquired the Shares in respect of which the Entitlements are issued under any employee share scheme or where the New Shares are acquired pursuant to any employee share scheme.

This summary is based on Australian tax laws and regulations and the current administrative practice of the Australian Taxation Office (**ATO**) as at the date of this Retail Offer Booklet. Other than as expressly discussed, the summary does not take into account or anticipate changes in Australian tax law or future judicial interpretations of law after this time unless otherwise specified. The summary also does not take into account tax legislation of any country other than Australia.

3.2 Issue of Entitlements

The issue of the Entitlements should not, of itself, result in any amount being included in your assessable income.

3.3 Exercise of Entitlements

If you take up (i.e. exercise) all or some of your Entitlement, you will acquire New Shares. No income tax or capital gains tax (**CGT**) liability should arise for you on the exercise of your Entitlement.

The cost base (and reduced cost base) for CGT purposes of each New Share will be equal to the Offer Price for those New Shares plus certain non-deductible incidental costs you incur in acquiring them.

3.4 Entitlements not taken up

Any Entitlements not taken up under the Retail Entitlement Offer will lapse to the extent not taken up, and the Eligible Retail Shareholder will not receive any consideration. In these circumstances, there should not be any tax implications for an Eligible Retail Shareholder from the lapse of all or some of their Entitlement.

3.5 Dividends on New Shares

Any future dividends or other distributions made in respect of New Shares will be subject to the same income taxation treatment as dividends or other distributions made on existing Shares held in the same circumstances.

3.6 Disposal of New Shares

The disposal of a New Share will constitute a disposal for CGT purposes.

On disposal of a New Share, you will make a capital gain if the capital proceeds received on disposal exceed the total cost base of the New Share. You will make a capital loss if the capital proceeds are less than the total reduced cost base of the New Share. The cost base of New Shares is described above in Section 3.3.

Eligible Retail Shareholders who are individuals, trustees or complying superannuation entities that have held New Shares for 12 months or more at the time of disposal (not including the date of acquisition or disposal) should be entitled to apply the applicable CGT discount factor to reduce the capital gain (after offsetting any available capital losses).

The CGT discount factor is 50% for individuals and trustees and 33⅓% for complying superannuation entities.

New Shares will be treated for the purposes of the CGT discount as having been acquired when you exercise your Entitlement. Accordingly, in order to be eligible for the CGT discount on the disposal of a New Share the New Share must be held for at least 12 months after the date that you exercised your Entitlement.

If you make a capital loss, you can only use that loss to offset capital gains from other sources; i.e. the capital loss cannot be used against assessable income on revenue account. However, if the capital loss cannot be used in a particular income year it can be carried forward to use in future income years, providing certain tests are satisfied.

3.7 Taxation of Financial Arrangements

The Taxation of Financial Arrangements rules pursuant to Division 230 of the *Income Tax Assessment Act 1997* (Cth) (**TOFA Provisions**) operate to make assessable or deductible, gains or losses arising from certain “financial arrangements”. An entitlement or right to receive a share is a “financial arrangement”. However, depending on the circumstances of the particular Eligible Retail Shareholder, the TOFA Provisions may not apply. Further, certain taxpayers (including many individuals) may be excluded from the operation of the TOFA Provisions unless they have made a valid election for it to apply.

The application of the TOFA Provisions is dependent on the particular facts and circumstances of the Eligible Retail Shareholder. Each Eligible Retail Shareholder should obtain their own advice regarding the potential application of the TOFA Provisions to their particular facts and circumstances.

3.8 Provision of TFN and/or ABN

Redbubble is required to deduct withholding tax from payments of dividends that are not 100% franked, at the rate specified in the Taxation Administration Regulations 1976 (currently 47%), and remit such amounts to the ATO, unless you have quoted a TFN or an ABN, or a relevant exemption applies (and has been notified to Redbubble). You are able to provide your TFN, ABN or relevant exemption online with the Share Registry at www.linkmarketservices.com.au. When providing your details online, you will be required to enter your SRN/HIN as shown on your Issuer Sponsored/CHESS statements and other personal details such as your postcode.

3.9 Other Australian Taxes

No Australian GST or stamp duty will be payable by Eligible Retail Shareholders in respect of the issue or taking up of Entitlements, the acquisition of New Shares, pursuant to the Retail Entitlement Offer.

Section 4 ASX Announcements (including Redbubble Investor Presentation)



NOT FOR RELEASE TO US WIRE SERVICES OR DISTRIBUTION IN THE UNITED STATES

REDBUBBLE ANNOUNCES ACQUISITION OF TEEPUBLIC AND CAPITAL RAISING

- **Redbubble Limited (ASX: RBL) ("Redbubble") has entered into a binding agreement to acquire TP Apparel LLC and TP Apparel Europe Ltd ("TeePublic") for US\$41.0 million in cash (A\$57.7 million)¹ ("Acquisition")**
- **Strategically compelling acquisition expands Redbubble's online marketplace to connect more independent artists with passionate fans across the world**
 - ✓ Creating a compelling digital platform for independent artists and customers and accelerating the Redbubble flywheel
 - ✓ Wider market coverage across two brands and improved competitive positioning
 - ✓ Leverage greater scale to optimise strategic third party fulfilment relationships globally
 - ✓ Opportunities to achieve operating leverage from shared technology and investments
 - ✓ Strong cultural alignment and team fit
- **TeePublic has an attractive financial profile:**
 - ✓ Strong topline growth (57% YoY in 1Q FY19), operating EBITDA profitability and positive cashflows²
 - ✓ Pro-forma FY18 Revenue of US\$25.5 million (33% YoY growth) and pro-forma FY18 Operating EBITDA of US\$3.3 million (33% Operating EBITDA / Gross Profit margin)²

¹ Converted at US\$:A\$ exchange rate of 0.71:1.

² TeePublic metrics based on 12 months ended 30 June and 3 months ended 30 September, adjusted for Redbubble's reporting standards; 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. Investors should be aware that certain financial measures included in this announcement are 'non-IFRS financial information' under ASIC Regulatory Guide 230: 'Disclosing non-IFRS financial information' published by ASIC and also 'non-GAAP financial measures' within the meaning of Regulation G under the U.S. Securities Exchange Act of 1934, as amended, and are not recognised under Australian Accounting Standards (AAS) and International Financial Reporting Standards (IFRS). The non-IFRS financial information/non-GAAP financial measures include Operating EBITDA, GTV. Redbubble believes the non-IFRS financial information/non-GAAP financial measures provide useful information to users in measuring the financial performance and conditions of Redbubble. The non-IFRS financial information/non-GAAP financial measures do not have a standardised meaning prescribed by AAS and IFRS. Therefore, the non-IFRS financial information is not a measure of financial performance, liquidity or value under the IFRS and may not be comparable to similarly titled measures presented by other entities, and should not be construed as an alternative to other financial measures determined in accordance with AAS or IFRS. Investors are cautioned, therefore, not to place undue reliance on any non-IFRS financial information/non-GAAP financial measures included in this announcement.

- ✓ 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
- **The acquisition and associated transaction costs will be funded through a combination of a fully underwritten A\$24.6 million pro-rata non-renounceable Entitlement Offer to existing eligible shareholders and a fully underwritten A\$36.0 million Placement to institutional investors**

Melbourne, Australia; 24 October 2018: Redbubble has entered into a binding agreement to acquire TeePublic for US\$41.0 million in cash (A\$57.7 million)¹. The cash consideration consists 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.

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. TeePublic was founded in 2013 and has a workforce of 38 with its headquarters in New York City. In FY18, TeePublic generated pro-forma Revenue of US\$25.5m, pro-forma Gross Profit of US\$10.0m and pro-forma Operating EBITDA of US\$3.3m². TeePublic had 1Q FY19 pro-forma Revenue growth of 57% YoY and pro-forma Operating EBITDA / Gross Profit margin of 33%².

Redbubble's current intention is to maintain and grow the TeePublic business as part of a multi-brand strategy. The TeePublic business will continue to be run by Adam Schwartz, TeePublic's co-founder and current Chief Operating Officer (COO).

The acquisition is expected to complete in early November 2018, subject to the satisfaction of customary conditions precedent.

The acquisition is supported by strong strategic and financial rationale

- **Creating a compelling digital platform for independent artists and customers and accelerating the Redbubble flywheel**
 - ✓ Broader reach and more opportunities to make Redbubble+TeePublic the predominant online destination for independent artists
 - ✓ Expands existing content library and provides pathway for broader content partnership opportunities
 - ✓ Potential to offer more creative content and more products to more customers
- **Wider market coverage across two brands and improved competitive positioning**
 - ✓ Developing differentiated brand positions and customer segments over time
 - ✓ Strengthen our joint competitive and supply chain positions in our core US markets
 - ✓ Leverage Redbubble's experience and previous investments to grow the TeePublic business
- **Compelling financial metrics²**
 - ✓ Strong topline growth (57% YoY pro-forma Revenue growth in 1Q FY19), operating EBITDA profitability and positive cashflows
 - ✓ Pro-forma FY18 Revenue of US\$25.5 million (33% YoY growth) and pro-forma FY18 Operating EBITDA of US\$3.3 million (33% Operating EBITDA / Gross Profit margin)

- **Leverage greater scale to optimise strategic third party fulfilment relationships globally**
 - ✓ Opportunities to further strengthen Redbubble's third party fulfilment network, increase fulfilment efficiency and reduce costs
 - ✓ Accelerate TeePublic's future expansion with new products and new geographies
- **Opportunities to achieve operating leverage from shared technology and investments**
 - ✓ Adds new talent to the Redbubble team and expands platform to drive efficiencies in data science, mobile, marketing and customer support
 - ✓ Unlocking potential cost synergies over time as TeePublic leverages Redbubble's infrastructure to increase operating leverage as it continues strong growth
- **Strong cultural alignment and team fit**
 - ✓ Great cultural fit between two companies with the same mission and similar growth history
 - ✓ High quality management in place at TeePublic and opportunity for Redbubble to add insights/value

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
 - Customer service and support
 - Technology platforms and data science capabilities
 - Artist on-boarding and portfolio management
 - Search engine optimisation and marketing know-how
 - New product launches, as well as geographic and language expansion
 - Marketing channels and campaign

Barry Newstead, CEO & Managing Director of Redbubble, said:

"TeePublic is a very attractive strategic fit for Redbubble and we see tremendous potential in the combination of the businesses. The opportunity to serve our artists and customers alongside TeePublic to generate even more momentum in our combined businesses is compelling. This acquisition enables us to accelerate our marketplace flywheel together and emerge as the platform with scale to disrupt mainstream retail commerce."

“TeePublic and Redbubble have strong cultural fit, highly complementary business models and are strategically aligned with the same mission – to create the world's largest marketplace for independent artists. We are excited to welcome the TeePublic team to Redbubble in due course.”

Richard Cawsey, Non-executive Director & Chair of the Board of Redbubble, said:

“The Redbubble Board has been actively engaged and is highly supportive of the acquisition as a great opportunity to accelerate Redbubble’s mission. We are excited about the potential that this combination has to create value for Redbubble shareholders both in the short-term and over the long-term.”

Josh Abramson, Co-Founder & CEO of TeePublic, added:

“I am so proud of our team for what we have created for designers since we founded TeePublic in 2013. It a big step forward for TeePublic to combine with such a mission-aligned partner in Redbubble. From the moment we met, the two teams have worked effectively together and we are committed to ensuring a smooth transition. I look forward to following the successes of TeePublic under Adam’s continued leadership with the benefit of the broader Redbubble team.”

Adam Schwartz, Co-Founder & COO of TeePublic, added:

“The TeePublic team is excited and energised to be combining with Redbubble at such an important stage of our respective growth trajectories. We look forward to partnering with Redbubble to bring more creativity into the world, leveraging our shared capabilities to support the artist and designer community. Redbubble’s experiences in growing its own business and developing its technology platform are a great fit for supporting TeePublic on the next steps in our journey.”

Transaction funding

The acquisition is expected to be funded through a combination of a fully underwritten A\$36.0 million institutional placement (“**Placement**”) and a fully underwritten A\$24.6 million, 1 for 13 pro rata accelerated non-renounceable entitlement offer (“**Entitlement Offer**”) (together, the “**Equity Raising**”). Approximately 40.4 million new fully paid ordinary shares in Redbubble (“**New Shares**”) will be issued under the Equity Raising.

The Equity Raising will be conducted at A\$1.50 per New Share (“**Offer Price**”), which represents a discount of:

- 10.4% to the last close of A\$1.675 on 23 October 2018; and
- 8.9% to the theoretical ex-rights price (“**TERP**”) (including the Placement).³

Following the transaction, Redbubble will remain debt free, with A\$28.5 million cash expected on the balance sheet as at pro-forma 30 September 2018^{4,5} to support working capital needs and growth initiatives. Further details on transaction funding are set out in the table below.

³ TERP is the theoretical price at which Redbubble shares should trade after the ex-date for the Entitlement Offer based on the last traded price and issuance of shares at the Offer Price under the Equity Raising. TERP is a theoretical calculation only and the actual price at which Redbubble shares trade immediately after the ex-date for the Entitlement Offer may be different from TERP.

⁴ 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.

⁵ Including the A\$8.5 million (US\$6.0 million) deferred consideration amount.

Uses of funds	A\$ million ^{6,7}	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

Details of the Entitlement Offer

Under the Entitlement Offer, eligible shareholders are invited to subscribe for 1 New Share for every 13 existing Redbubble shares held as at 7.00pm (AEDT) on Monday, 29 October 2018 (**Entitlements**). All New Shares in the Entitlement Offer will be issued at a price of A\$1.50 per New Share.

The Entitlement Offer will consist of:

- An accelerated institutional component to be conducted from Wednesday, 24 October 2018 to Thursday, 25 October 2018 ("**Institutional Entitlement Offer**"), and
- A retail component which will open on Wednesday, 31 October 2018 and close at 5.00pm (AEDT) on Wednesday, 14 November 2018 ("**Retail Entitlement Offer**")

Each New Share will rank equally with existing shares on issue. The commencement of quotation of New Shares under the Entitlement Offer is subject to confirmation from the ASX.

Institutional Entitlement Offer

The Institutional Entitlement Offer opens on Wednesday, 24 October 2018 and closes on Thursday, 25 October 2018.

Entitlements not taken up under the Institutional Entitlement Offer or attributable to institutional shareholders that were not entitled to participate in the Institutional Entitlement Offer will be offered to eligible institutional investors (including institutional shareholders who have subscribed for their Entitlements) at the Offer Price.

Retail Entitlement Offer

The Retail Entitlement Offer opens on Wednesday, 31 October 2018 and closes at 5.00pm (AEDT) on Wednesday, 14 November 2018. Only those retail shareholders with registered addresses in Australia and New Zealand ("**Eligible Retail Shareholders**") will be eligible to participate in the Retail Entitlement Offer.

⁶ 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.

⁷ Redbubble has purchased a call option and effectively hedged US\$34.0 million of the upfront cash consideration at a minimum US\$:A\$ rate of 0.71:1.

Eligible Retail Shareholders wishing to participate in the Retail Entitlement Offer should carefully read the retail offer booklet and accompanying personalised entitlement and acceptance form, which are expected to be despatched on Wednesday, 31 October 2018. Copies of the retail offer booklet will also be available on the Company's ASX announcements platform.

Key dates

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 Institutional Entitlement Offer and Placement	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

Additional details

Further details of the Acquisition, Entitlement Offer and Placement are set out in the Investor Presentation pack provided to the ASX today. The pack contains important information including key risks and foreign selling restrictions with respect to the Entitlement Offer and Placement.

Greenhill & Co acted as Redbubble's financial adviser on the Acquisition and the Equity Raising. Allens acted as legal adviser to Redbubble on the Equity Raising and Wilson Sonsini Goodrich & Rosati acted as U.S. legal counsel for the Company. Canaccord Genuity and Petra Capital acted as joint lead managers and underwriters to the Entitlement Offer and Placement.

Jurisdictional distribution

This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer, invitation or recommendation to subscribe for or purchase any security or financial product and neither this announcement nor anything attached to this announcement shall form the basis of any contract or commitment. In particular, this announcement does not constitute an offer to sell, or the solicitation of an offer to buy, securities in the United States or any other jurisdiction in which such an offer would be illegal. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933, as amended (the "**US Securities Act**"), or the securities laws of any state or jurisdiction of the United States. Accordingly, the securities may not be offered or sold directly or indirectly in the United States unless they have been registered under the US Securities Act (which Redbubble has no obligation to do or procure) or are offered and sold in a transaction exempt from, or not subject to, the registration of the US Securities Act and any other applicable United States state securities laws.

Forward looking statements

This announcement contains forward looking statements, including statements of current intention, statements of opinion and predictions as to possible future events. Forward looking statements should, or can generally, be identified by the use of forward looking words such as "believe", "expect", "estimate", "will", "may", "target" and other similar expressions within the meaning of securities laws of applicable jurisdictions, and include but are not limited to the expected outcome of the acquisition. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward looking statements. Such statements are not statements of fact and there can be no certainty of outcome in relation to the matters to which the statements relate. These forward looking statements involve known and unknown risks, uncertainties, assumptions and other important factors that could cause the actual outcomes to be materially different from the events or results expressed or implied by such statements. Those risks, uncertainties, assumptions and other important factors are not all within the control of Redbubble and cannot be predicted by Redbubble and include changes in circumstances or events that may cause objectives to change as well as risks, circumstances and events specific to the industry, countries and markets in which Redbubble operates. They also include general economic conditions, exchange rates, interest rates, competitive pressures, selling price, market demand and conditions in the financial markets which may cause objectives to change or may cause outcomes not to be realised. None of Redbubble or any of its subsidiaries, advisors or affiliates (or any of their respective officers, employees or agents) makes any representation, assurance or

guarantee as to the accuracy or likelihood of fulfilment of any forward looking statement or any outcomes expressed or implied in any forward looking statements.

For further information, please contact:

Louise Lambeth – Head of Investor Relations

louise.lambeth@redbubble.com

About Redbubble

Founded in 2006, Redbubble is a global online marketplace (redbubble.com) powered by over 700,000 independent artists. Redbubble'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 marketplace 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.

Investor Presentation – Acquisition of TeePublic and Capital Raising

24th October 2018



NOT FOR RELEASE TO US WIRE SERVICES OR DISTRIBUTION IN THE UNITED STATES



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Important notices

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This Presentation has been prepared by Redbubble Limited (ACN 119 200 592) (**Redbubble**). This Presentation has been prepared in relation to:

- 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.

Summary information

This Presentation contains summary information about Redbubble and its activities which is current only as at the date of this Presentation. The information in this Presentation is of a general nature and does not purport to be complete nor does it contain all the information which a prospective investor may require in evaluating a possible investment in Redbubble or that would be required to be included in a prospectus or product disclosure statement prepared in accordance with the requirements of the Corporations Act.

Redbubble's historical information in this Presentation is, or is based upon, information that has been released to the Australian Securities Exchange (ASX). This Presentation should be read in conjunction with Redbubble's other periodic and continuous disclosure announcements lodged with the ASX, which are available at www.asx.com.au. Certain information in this Presentation has been sourced from TeePublic and its associates. While steps have been taken to review that information, no representation or warranty, expressed or implied, is made as to its fairness, accuracy, correctness, completeness or adequacy. Certain market and industry data used in connection with this Presentation may have been obtained from research, surveys or studies conducted by third parties, including industry or general publications. Neither Redbubble nor its representatives have independently verified any such market or industry data provided by third parties or industry or general publications.

Not an offer

This Presentation is not a prospectus, product disclosure statement or other offering document under Australian law (and will not be lodged with the Australian Securities and Investments Commission (**ASIC**)) or any other law. This Presentation is for information purposes only and is not an invitation or offer of securities for subscription, purchase or sale in any jurisdiction. The retail offer booklet for the Retail Entitlement Offer will be available following its lodgement with the ASX. Any eligible retail shareholder who wishes to participate in the Retail Entitlement Offer should consider the retail offer booklet in deciding whether to apply under that offer.

The release, publication or distribution of this Presentation (including an electronic copy) outside Australia may be restricted by law. If you come into possession of this Presentation, you should observe such restrictions. Any non-compliance with these restrictions may contravene applicable securities laws. Refer to the 'Foreign selling restrictions' section of this Presentation for more information.

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Not investment advice

This Presentation does not constitute investment or financial product advice (nor tax, accounting or legal advice) or any recommendation by Redbubble or its advisers to acquire New Shares and does not and will not form any part of any contract for the acquisition of New Shares. Each recipient of this Presentation should make its own enquiries and investigations regarding all information in this Presentation including but not limited to the assumptions, uncertainties and contingencies which may affect future operations of Redbubble and the impact that different future outcomes may have on Redbubble.

This Presentation has been prepared without taking account of any person's individual investment objectives, financial situation or particular needs. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own investment objectives, financial situation and needs and seek legal, accounting and taxation advice appropriate to their jurisdiction. Redbubble is not licensed to provide financial product advice in respect of Redbubble shares.

IMPORTANT NOTICE AND DISCLAIMER (2 of 3)

Future performance

This Presentation contains certain forward looking statements, including but not limited to projections, guidance on future revenues, earnings, margin improvement, potential synergies, other estimates, the timing and outcome of the TeePublic acquisition, the outcome and effects of the Entitlement Offer and Placement and the use of proceeds, and the future performance of Redbubble and TeePublic post-acquisition (the **Combined Group**). Forward looking statements can generally be identified by the use of forward looking words such as, 'expect', 'anticipate', 'likely', 'intend', 'should', 'could', 'may', 'predict', 'plan', 'propose', 'will', 'believe', 'forecast', 'estimate', 'target', 'outlook', 'guidance', 'potential' and other similar expressions within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward looking statements. The forward looking statements contained in this Presentation are not guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of Redbubble, its directors and management, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. Refer to the 'Key Risks' section of this Presentation for a summary of certain general, Redbubble-specific and TeePublic acquisition-specific risk factors that may affect Redbubble, TeePublic and the Combined Group. There can be no assurance that actual outcomes will not differ materially from these forward looking statements. A number of important factors could cause actual results or performance to differ materially from the forward looking statements, including the risk factors set out in this Presentation. Investors should consider the forward looking statements contained in this Presentation in light of those disclosures.

No representation or warranty, express or implied, is made as to the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in this Presentation. The forward looking statements are based on information available to Redbubble as at the date of this Presentation. Except as required by law or regulation (including the ASX Listing Rules), Redbubble undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise.

Past performance

Investors should note that past performance, including past share price performance of Redbubble, is given for illustrative purposes only and cannot be relied upon as an indicator of (and provides no guidance as to) future Redbubble performance including future share price performance. The historical information is not represented as being indicative of Redbubble's views on future financial condition and/or performance.

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Financial data

All financial information in this Presentation is in Australian Dollars (**A\$** or **AUD**) or US Dollars (**US\$** or **USD**), unless otherwise stated. A foreign exchange rate of A\$1 = US\$0.71 is used to convert all USD metrics in this Presentation (unless otherwise stated). Financial data for TeePublic in this Presentation has been derived from TeePublic's unaudited management accounts for the relevant period. Redbubble cannot give any assurance as to the accuracy or completeness of such financial data.

Investors should note that this Presentation contains pro forma historical financial information. The pro forma financial information, and the historical information, provided in this Presentation is for illustrative purposes only and is not represented as being indicative of Redbubble's views on its future financial condition and/or performance.

The pro forma financial information has been prepared by Redbubble in accordance with the recognition and measurement principles of Australian Accounting Standards (**AAS**) and Redbubble's adopted accounting policies of applicable accounting standards and other mandatory reporting requirements in Australia. Investors should also note that the pro forma financial information does not purport to be in compliance with Article 11 of Regulation S-X of the rules and regulations of the U.S. Securities and Exchange Commission. Such information does not purport to comply with Article 3-05 of Regulation S-X.

Investors should be aware that certain financial measures included in this presentation are 'non-IFRS financial information' under ASIC Regulatory Guide 230: 'Disclosing non-IFRS financial information' published by ASIC and also 'non-GAAP financial measures' within the meaning of Regulation G under the U.S. Securities Exchange Act of 1934, as amended, and are not recognised under AAS and International Financial Reporting Standards (**IFRS**). The non-IFRS financial information/non-GAAP financial measures include (among others) Operating EBITDA and GTV (refer to Slide 32 for further information). Redbubble believes the non-IFRS financial information/non-GAAP financial measures provide useful information to users in measuring the financial performance and conditions of Redbubble. The non-IFRS financial information/non-GAAP financial measures do not have a standardised meaning prescribed by AAS and IFRS. Therefore, the non-IFRS financial information is not a measure of financial performance, liquidity or value under the IFRS and may not be comparable to similarly titled measures presented by other entities, and should not be construed as an alternative to other financial measures determined in accordance with AAS or IFRS. Investors are cautioned, therefore, not to place undue reliance on any non-IFRS financial information/non-GAAP financial measures included in this Presentation.

Effect of rounding

A number of figures, amounts, percentages, estimates, calculations of value and fractions in this Presentation are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this Presentation.



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Determination of eligibility of investors for the purposes of the institutional and retail components of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of Redbubble and the underwriters. Each of the Relevant Parties disclaims any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law.

The underwriters, together with their respective affiliates, are full service financial institutions engaged in various activities, which may include trading, financing, financial advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services, including for which they have received or may receive customary fees and expenses.

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.

Statements made in this Presentation are made only as the date of this Presentation. The information in this Presentation remains subject to change without notice.

Acceptance, Withdrawal and Cooling-off

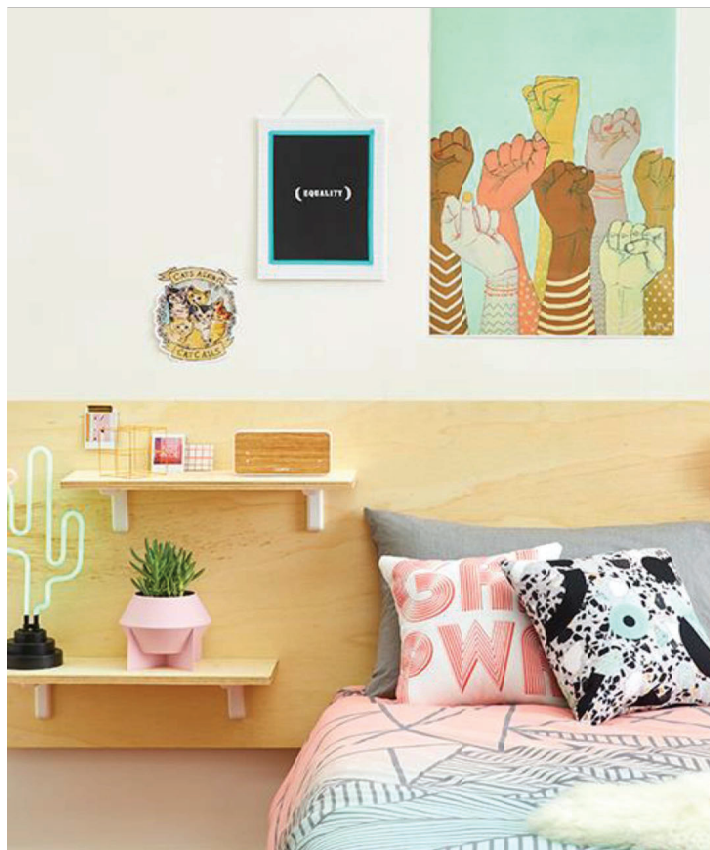
By attending an investor presentation or briefing, or accepting, accessing or reviewing this Presentation you acknowledge and agree to the terms set out in this 'Important Notice and Disclaimer'.

Redbubble reserves the right to withdraw, or vary the timetable for, the Entitlement Offer or the Placement without notice.

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

This Presentation has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States.





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

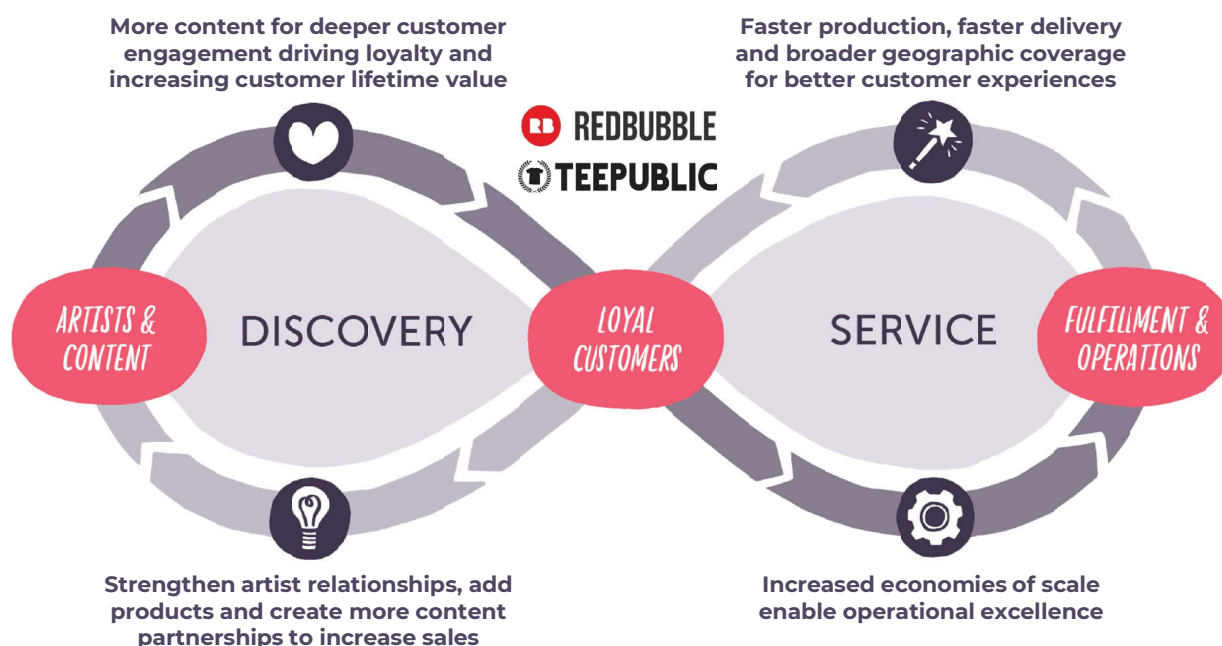
1. Total cash consideration of US\$41.0m consisting of US\$35.0m to be paid at completion and US\$6.0m to be paid 18 months post-completion, of which US\$3.0m will be subject to set-off for any indemnification obligations of the sellers
 2. Converted at US\$/A\$ exchange rate of 0.71:1
 3. TeePublic 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



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

Redbubble+TeePublic – accelerating the marketplace flywheel together



Content includes the combination of digital Art Works and the Products they are sold on

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



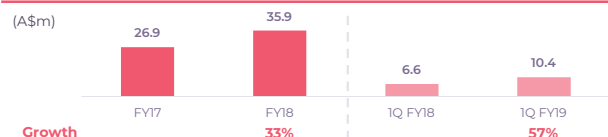
Customers can choose to purchase their favourite design on the product they want



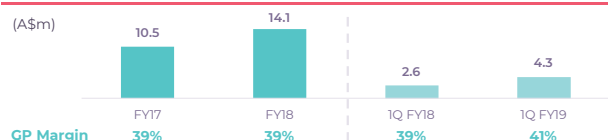
Network of third party fulfilment relationships, including a number of common fulfilment relationships with Redbubble

Attractive financial profile

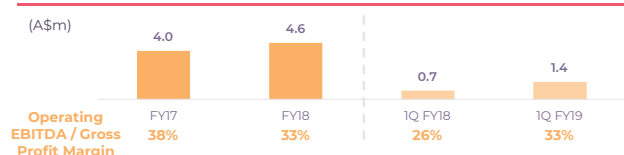
TeePublic Pro-Forma Revenue¹



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
TEEPUBLIC	2013	75+	11	A\$14m+ ¹
REDBUBBLE	2006	c.200	32	A\$100m+
	Unique customers	Selling artists and designers	Unique art works / products	Global workforce
TEEPUBLIC	0.5m FY18	31k FY18	1.3m / 45	38
REDBUBBLE	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
- ❑ Customer service and support
- ❑ Technology platforms and data science capabilities
- ❑ Artist on-boarding and portfolio management
- ❑ Search engine optimisation and marketing know-how
- ❑ New product launches, as well as geographic and language expansion
- ❑ Marketing channels and campaigns

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

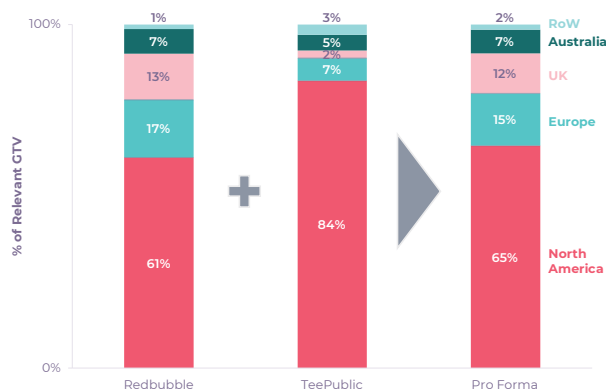
- ✓ Leveraging combined R&D to implement technology to make Redbubble and TeePublic safe places to sell art on the Internet
- ✓ Working together with rights holders to enable fan art licensing protecting IP and enabling creativity



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

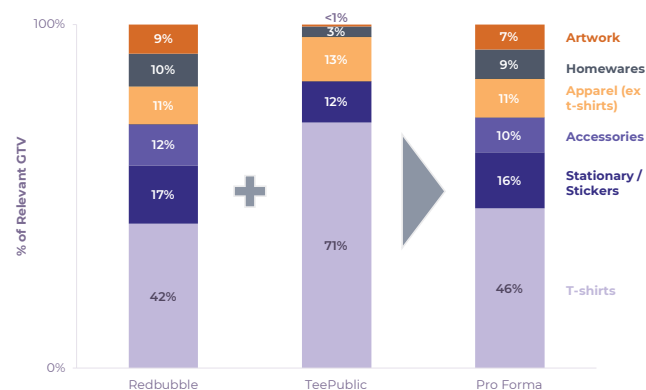
Exciting opportunities for TeePublic to follow Redbubble’s growth template in Europe and UK¹

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 0.711

Sources: Redbubble internal data and TeePublic internal data

Transaction highlights

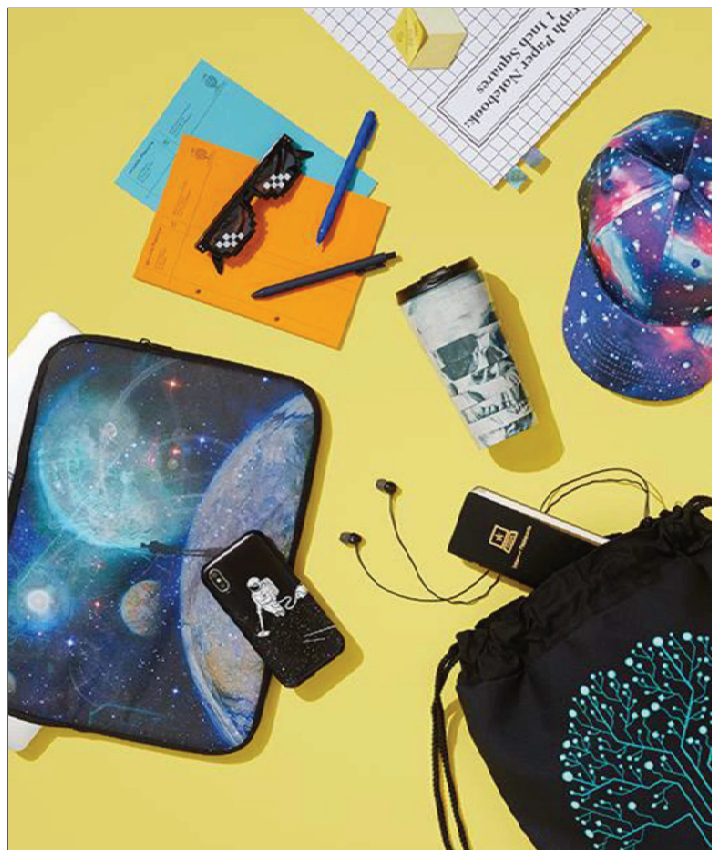
Transaction details	- Redbubble has executed a definitive agreement to acquire all of the issued shares of TeePublic from TeePublic’s founders - Total cash consideration of US\$41.0m consisting of US\$35.0m to be paid at completion and US\$6.0m to be paid 18 months post-completion, of which US\$3.0m 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;

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 0.711



Redbubble Business Update

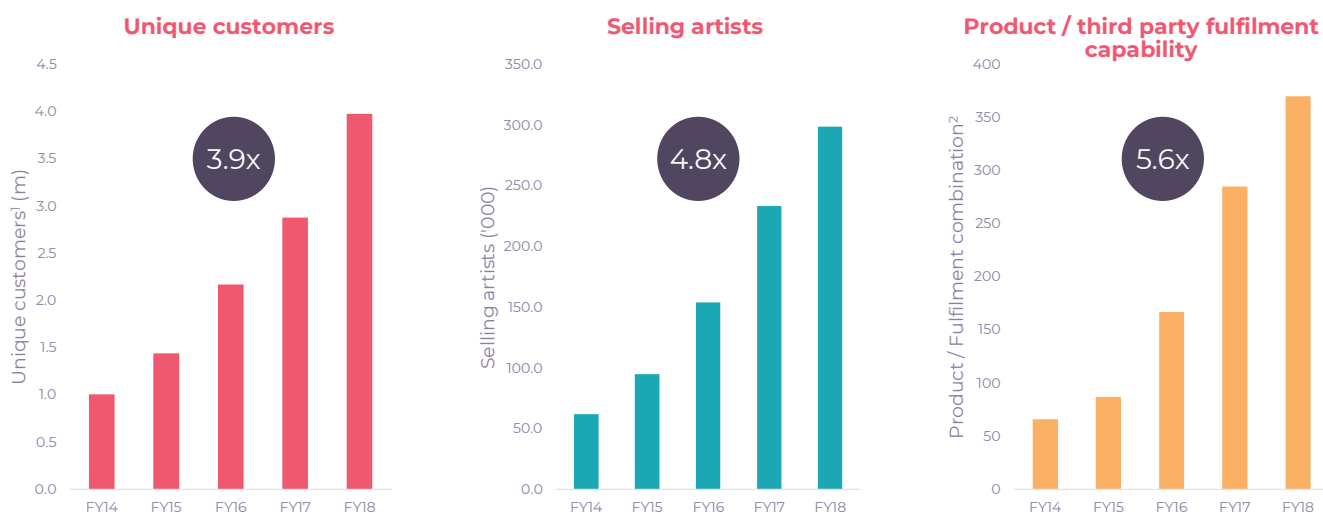
1Q FY19 business highlights



- ☆ 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



	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%

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

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

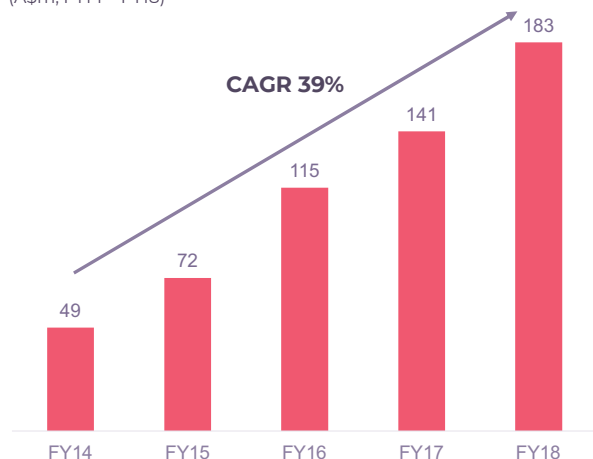
Scaling business demonstrating sustained and strong Revenue and Gross Profit growth



Revenue¹ has grown at CAGR of 39% over five years

Revenue

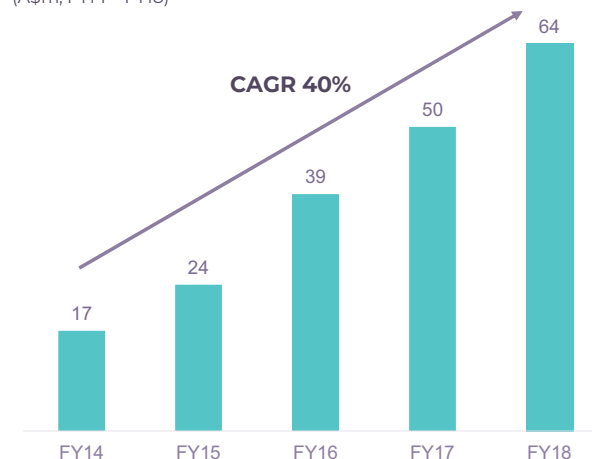
(A\$m; FY14 – FY18)



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		QoQ	
	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%

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 effect 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

Commentary

- 1Q FY19 GTV and Revenue growth of >30% (CC basis³) in line with guidance
- 1Q Gross profit increasing 33.6% YOY (CC basis³). 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 basis³), 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%)

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

Guidance update



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

Guidance applies to Redbubble on a standalone basis and excludes the potential impact of the acquisition of TeePublic and associated one-off transaction and integration costs; guidance issued in the 4Q FY18 earnings press release, call and presentation on 24 July 2018



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

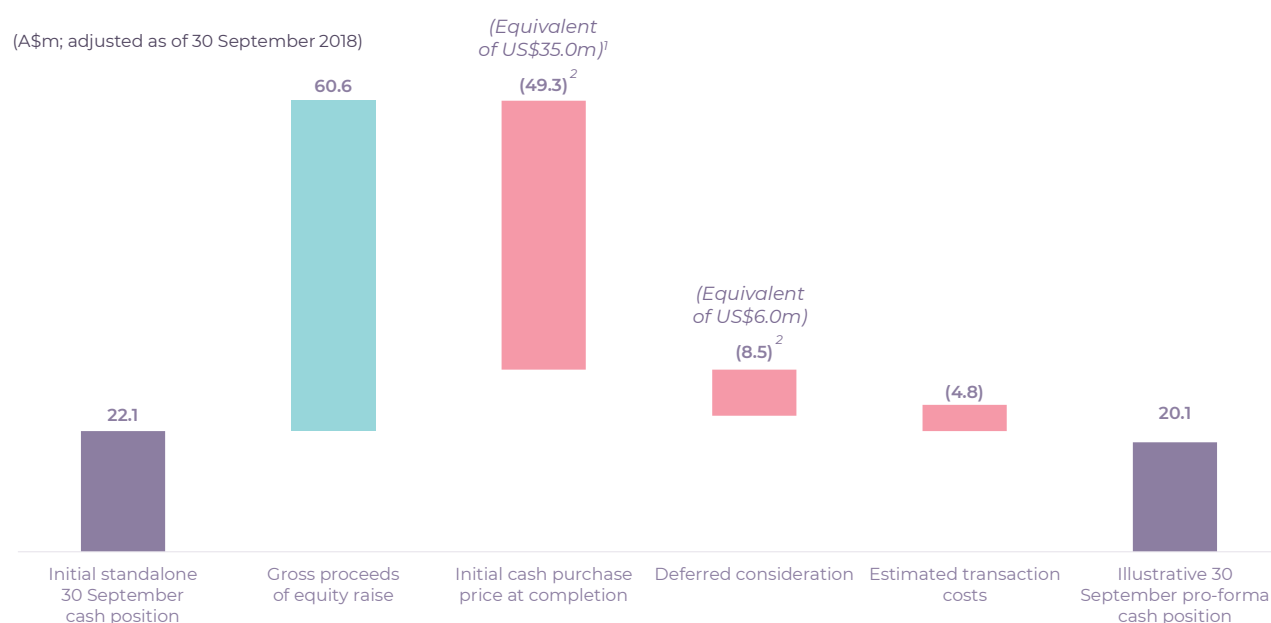
¹ Theoretical ex-rights price (TERP) is a theoretical calculation only at which the price that Redbubble shares trade immediately following completion of the Placement and following the ex-date for the Entitlement Offer. The actual trading price may be different to the TERP

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



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) (Accounting Revenue booked by RB)
- 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.
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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.



NOT FOR RELEASE TO US WIRE SERVICES OR DISTRIBUTION IN THE UNITED STATES

REDBUBBLE SUCCESSFULLY COMPLETES INSTITUTIONAL PLACEMENT AND INSTITUTIONAL ENTITLEMENT OFFER

- **Institutional Placement and Institutional Entitlement Offer successfully completed, raising approximately A\$52 million at A\$1.50 per New Share**
- **Placement and Institutional Entitlement Offer was supported by new and existing institutional and sophisticated investors from Australia and overseas**
- **The fully underwritten Retail Entitlement Offer is expected to raise approximately A\$8.4 million and is expected to open on Wednesday, 31 October 2018 and close at 5:00pm (AEDT) on Wednesday, 14 November 2018**

Melbourne, Australia; 29 October 2018: Redbubble Limited (ASX code: RBL, **Redbubble**) is pleased to announce the successful completion of the institutional placement and institutional component of the entitlement offer announced on Wednesday, 24 October 2018 to fund the acquisition of TP Apparel LLC and TP Apparel Europe Ltd ("**TeePublic**") and pay associated transaction costs. The fully underwritten institutional placement ("**Placement**") and the institutional component of the fully underwritten 1 for 13 pro rata accelerated non-renounceable entitlement offer ("**Institutional Entitlement Offer**") together raised approximately A\$52 million.

The Institutional Entitlement Offer was supported by existing institutional shareholders, with take up by eligible institutional shareholders of over 54% (excluding the Company's largest shareholder, Martin Hosking, and Chairman Richard Cawsey, who, as previously disclosed, elected through their respective shareholding entities not to take up their entitlements under the Entitlement Offer¹). The institutional shortfall bookbuild and Placement attracted significant demand from new and

¹ Martin Hosking (through one or more of his shareholding entities) has, however, agreed to sub-underwrite up to A\$3 million of New Shares under the retail component of the Entitlement Offer and will be paid a fee of A\$45,000 (equal to 1.5% of his A\$3 million sub-underwriting commitment) by the underwriters for providing this sub-underwriting commitment.

existing institutional and sophisticated investors, with demand in excess of the amount sought to be raised by Redbubble.

The Placement raised approximately A\$36 million and the Institutional Entitlement Offer raised approximately A\$16 million, at a fixed offer price of A\$1.50 ("**Offer Price**") per new fully paid ordinary share issued in Redbubble ("**New Share**"). A total of approximately 34.8 million New Shares in Redbubble will be issued under the Placement and the Institutional Entitlement Offer, of which 24 million New Shares in Redbubble will be issued under the Placement. No shareholder approval is required in connection with the issue of New Shares under the Placement.

Barry Newstead, CEO & Managing Director of Redbubble, said:

"We are extremely pleased with the level of support received from existing shareholders and welcome a number of new domestic and international institutional investors to the register. The success of the capital raising supports the strategic rationale for the TeePublic acquisition, providing the opportunity to accelerate our marketplace flywheel and emerge as the platform with significant scale to disrupt mainstream retail commerce."

Settlement of New Shares issued as part of the Placement and Institutional Entitlement Offer is expected to occur on Friday, 2 November 2018. The issue and allotment of those New Shares is expected to occur on Monday, 5 November 2018.

The New Shares issued under the Placement and Institutional Entitlement Offer will rank equally with existing Redbubble ordinary shares on issue.

The ASX trading halt that was implemented on Friday, 26 October 2018 (following the ASX trading halt implemented on Wednesday, 24 October 2018) in relation to Redbubble shares is expected to be lifted prior to market open today.

Retail Entitlement Offer

The retail component of the fully underwritten 1 for 13 pro rata accelerated non-renounceable entitlement offer ("**Retail Entitlement Offer**") available to eligible retail shareholders is expected to open on Wednesday, 31 October 2018 and close at 5.00pm (AEDT) on Wednesday, 14 November 2018. The Retail Entitlement Offer is expected to raise approximately A\$8.4 million.

Eligible retail shareholders will be able to subscribe for 1 New Share for every 13 existing shares held in Redbubble as at 7:00pm (AEDT) on the record date of Monday, 29 October 2018, at the Offer Price (consistent with the Institutional Entitlement Offer and Placement).

Eligible retail shareholders wishing to participate in the Retail Entitlement Offer should carefully read the retail offer booklet for further details relating to the Retail Entitlement Offer (including the timetable for the Retail Entitlement Offer), which Redbubble expects to lodge with the ASX, send to eligible retail shareholders (with a personalised entitlement and acceptance form), and make available on Redbubble's website (<http://shareholders.redbubble.com>) on or about Wednesday, 31 October 2018.

Additional details

Further details of the acquisition of TeePublic, Entitlement Offer and Placement are set out in the Investor Presentation released to the ASX on Wednesday, 24 October 2018. The Investor Presentation contains important information including key risks with respect to the equity raising.

If you have any questions in relation to the Retail Entitlement Offer, please call your stockbroker, accountant or other professional adviser or the Redbubble Offer Information Line on 1300 407 677 (within Australia) or +61 1300 407 677 (outside Australia) between 8:30am and 5pm (AEDT), Monday to Friday from Monday, 31 October 2018 to Friday, 7 December 2018.

Greenhill & Co acted as Redbubble's financial adviser on the acquisition of TeePublic and the equity raising. Allens acted as legal adviser to Redbubble on the equity raising and Wilson Sonsini Goodrich & Rosati acted as U.S. legal counsel for the Company in relation to the acquisition of TeePublic. Canaccord Genuity and Petra Capital acted as joint lead managers and underwriters to the Entitlement Offer and Placement.

Jurisdictional distribution

This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer, invitation or recommendation to subscribe for or purchase any security or financial product and neither this announcement nor anything attached to this announcement shall form the basis of any contract or commitment. In particular, this announcement does not constitute an offer to sell, or the solicitation of an offer to buy, securities in the United States or any other jurisdiction in which such an offer would be illegal. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933, as amended (the "**US Securities Act**"), or the securities laws of any state or jurisdiction of the United States. Accordingly, the securities may not be offered or sold directly or indirectly in the United States unless they have been registered under the US Securities Act (which Redbubble has no obligation to do or procure) or are offered and sold in a transaction exempt from, or not subject to, the registration of the US Securities Act and any other applicable United States state securities laws.

Forward looking statements

This announcement contains forward looking statements. Those statements are not guarantees or predictions of future performance and involve known and unknown risks and uncertainties outside the control of Redbubble.

About Redbubble

Founded in 2006, Redbubble is a global online marketplace (redbubble.com) powered by over 700,000 independent artists. Redbubble'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 marketplace 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.

Section 5 Additional information

5.1 Eligible Retail Shareholders

This Retail Offer Booklet is being offered to Eligible Retail Shareholders only.

Eligible Retail Shareholders are persons at 7.00pm on the Record Date who:

- are registered as a holder of Shares;
- have a registered address on the Redbubble share register in Australia or New Zealand;
- are not in the United States and are not acting for the account or benefit of a person in the United States to the extent such persons hold Redbubble ordinary shares for the account or benefit of persons in the United States;
- did not participate (other than as nominee, in respect of other underlying holdings) under the Institutional Entitlement Offer, and were not treated as ineligible institutional shareholders under the Institutional Entitlement Offer; and
- are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

Retail shareholders who are not Eligible Retail Shareholders are ineligible retail shareholders (**Ineligible Retail Shareholders**). Redbubble reserves the right to determine whether a retail shareholder is an Eligible Retail Shareholder or an Ineligible Retail Shareholder.

By returning a completed personalised Entitlement and Acceptance Form or making a payment by BPAY®, you will be taken to have represented and warranted that you satisfy each of the criteria listed above to be an Eligible Retail Shareholder. Nominees, trustees or custodians are therefore advised to seek independent professional advice as to how to proceed.

Redbubble may (in its absolute discretion) extend the Retail Entitlement Offer to any institutional shareholder that was eligible to participate in the Institutional Entitlement Offer but was not invited to participate in the Institutional Entitlement Offer (subject to compliance with relevant laws).

Redbubble has decided that it is unreasonable to make offers under the Retail Entitlement Offer to retail shareholders who have registered addresses outside Australia and New Zealand, having regard to the number of such holders in those places and the number and value of the New Shares that they would be offered, and the relevant legal and regulatory requirements in those places, including the cost of complying with the relevant legal and regulatory requirements.

Redbubble may (in its absolute discretion) extend the Retail Entitlement Offer to shareholders who have registered addresses outside Australia and New Zealand (except the United States) in accordance with applicable law.

5.2 Ranking of New Shares

New Shares issued under the Retail Entitlement Offer will be fully paid and from allotment rank equally in all respects with existing Shares and will be entitled to dividends/distributions on the same basis as existing Shares. The rights and liabilities attaching to the New Shares are set out in Redbubble's constitution, a copy of which is available at <http://shareholders.redbubble.com>.

5.3 Reconciliation

The Entitlement Offer is a complex process and in some instances investors may believe that they owned more Shares than they ultimately were recorded as holding as at the Record Date or are otherwise entitled to more New Shares than initially offered to them. This may result in a need for reconciliation to ensure all Eligible Retail Shareholders have the opportunity to receive their full Entitlement.

Redbubble may need to issue a small quantity of additional New Shares to ensure all Eligible Retail Shareholders have the opportunity to receive their appropriate allocation of New Shares. The price at which these New Shares would be issued, if required, is the same as the Offer Price.

Redbubble also reserves the right to reduce the size of Entitlements or the number of New Shares allocated to Eligible Retail Shareholders, or persons claiming to be Eligible Retail Shareholders or other applicable investors, if Redbubble believes in its absolute discretion that their claims are overstated or if they or their nominees fail to provide information requested to substantiate their claims, or if they are not Eligible Retail Shareholders.

5.4 Rounding of Entitlements

Where fractions arise in the calculation of Entitlements, they have been rounded up to the nearest whole number of New Shares.

5.5 Notice to nominees and custodians

The Retail Entitlement Offer is being made to all Eligible Retail Shareholders. Nominees with registered addresses in eligible jurisdictions, irrespective of whether they participate under the Institutional Entitlement Offer, may be able to participate in the Retail Entitlement Offer in respect of some or all of the beneficiaries on whose behalf they hold existing Shares, provided that the applicable beneficiary would satisfy the criteria for an Eligible Retail Shareholder.

If Redbubble believes you hold Shares as a nominee or custodian you will have received, or will shortly receive, a letter in respect of the Entitlement Offer. Nominees and custodians should consider carefully the contents of that letter and note in particular that the Retail Entitlement Offer is not available to, and they must not purport to accept the Retail Entitlement Offer in respect of:

- beneficiaries on whose behalf they hold existing Shares who would not satisfy the criteria for being an Eligible Retail Shareholder;
- eligible institutional shareholders who participated in the Institutional Entitlement Offer (whether they accepted their Entitlements or not) and institutional shareholders who were treated as ineligible institutional shareholders under the Institutional Entitlement Offer; or
- Shareholders who are not eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

In particular, persons acting as nominees or custodians for other persons must not take up any Entitlements on behalf of, or send any documents related to the Retail Entitlement Offer to, any person in the United States or any person that is acting for the account or benefit of a person in the United States. Persons in the United States and persons acting for the account or benefit of persons in the United States will not be able to exercise any Entitlements and may receive no payment or value for them.

Redbubble is not required to determine whether or not any registered holder or investor is acting as a nominee or custodian or the identity or residence of any beneficial owners of existing Shares or Entitlements. Where any person is acting as a nominee or custodian for a foreign person, that person, in dealing with its beneficiary, will need to assess whether indirect participation in the Entitlement Offer by the beneficiary complies with applicable foreign laws. Redbubble is not able to advise on foreign laws.

5.6 Allotment, quotation and trading

Redbubble has applied to ASX for official quotation of the New Shares, in accordance with the ASX Listing Rules requirements. If ASX does not grant such quotation, Redbubble will repay all Application Monies (without interest).

Subject to approval being granted, it is expected that normal trading of New Shares allotted under the Retail Entitlement Offer will commence at 10.00am (Melbourne time) on Thursday, 22 November 2018. It

is expected that allotment of the New Shares under the Retail Entitlement Offer will take place on Wednesday, 21 November 2018. Application Monies will be held by Redbubble on trust for applicants until the New Shares are allotted. No interest will be paid on Application Monies.

It is the responsibility of applicants to determine the number of New Shares allotted and issued to them prior to trading in such shares. The sale by an applicant of New Shares prior to receiving their holding statement is at the applicant's own risk.

5.7 Continuous disclosure

Redbubble is a 'disclosing entity' under the Corporations Act and is subject to regular reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules, including the preparation of annual reports and half yearly reports. Redbubble is required to notify the ASX of information about specific events and matters as they arise for the purposes of the ASX making that information available to the stock markets conducted by the ASX. In particular, Redbubble has an obligation under the ASX Listing Rules (subject to certain exceptions) to notify the ASX immediately of any information of which it is or becomes aware which a reasonable person would expect to have a material effect on the price or value of its securities. That information is available to the public from the ASX and can be accessed at <https://www.asx.com.au>.

Some documents are required to be lodged with ASIC in relation to Redbubble. These documents may be obtained from, or inspected at, an ASIC office.

5.8 Underwriting arrangements

5.8.1 Underwriters

The Entitlement Offer is fully underwritten by the Underwriters, on the terms and conditions set out in an underwriting agreement entered into by Redbubble and the Underwriters (**Underwriting Agreement**).

The obligations of the Underwriters are subject to the satisfaction of certain conditions precedent documented in the Underwriting Agreement. Furthermore, in accordance with the Underwriting Agreement, as is customary with these types of underwriting arrangements:

- (a) Redbubble has (subject to certain limitations) agreed to indemnify the Underwriter, its affiliates and their respective officers, directors, partners, agents, advisers and employees against losses incurred in respect of the Entitlement Offer;
- (b) Redbubble and the Underwriter have given certain representations, warranties and undertakings in connection with (among other things) the conduct of the Entitlement Offer;
- (c) the Underwriter may terminate the Underwriting Agreement and be released from its obligations on the occurrence of certain events (in some cases, subject to the materiality of the relevant event), including (but not limited to) where:
 - (i) a statement contained in certain materials prepared in relation to the Offer (including in this Retail Offer Booklet) (the **Offer Materials**) is or becomes misleading or deceptive;
 - (ii) the acquisition will not proceed for a number of reasons, including if a condition precedent to the acquisition agreement is not capable of being satisfied or if the acquisition agreement is terminated or rendered void, voidable, invalid illegal or otherwise unenforceable or the acquisition agreement is amended in a material respect without the prior written consent of the Underwriters;
 - (iii) ASX announces that Redbubble will be removed from the official list or that the Shares will be removed from official quotation or suspended from quotation by ASX;
 - (iv) any government agency commences, or gives notice of an intention to commence, any investigation, proceedings or hearing in relation to the Entitlement Offer or the Placement or the Offer Materials;

- (v) there are certain delays in the timetable for the Offer without the Underwriters' consent;
 - (vi) Redbubble withdraws the Offer or indicates in writing to the Underwriters that it does not intend to, or is unable to proceed with, the Offer;
 - (vii) a representation, warranty or undertaking or obligation contained in the Underwriting Agreement on the part of Redbubble is breached or is or becomes misleading or deceptive or not true or correct;
 - (viii) Redbubble is or is likely to become insolvent;
 - (ix) any material adverse change, or an event that is likely to result in a material adverse change, occurs in the assets, liabilities, financial position or performance, profits, losses or prospects of Redbubble;
 - (x) a change in the directors or senior management of Redbubble; and
 - (xi) there is a material market disruption in certain key financial markets or hostilities not presently existing commence or a major escalation in existing hostilities occurs involving certain key countries; and
- (d) Redbubble, and not the Underwriter, is responsible for the form and content of the Offer Documents and all advertising, publicity, announcements, statements, reports and other disclosures made in relation to the Entitlement Offer issued with the knowledge or prior consent of the Company or its directors, officers, employees or legal advisers acting on its behalf.

Neither the Underwriters nor any of their respective related bodies corporate and affiliates, nor any of their respective directors, officers, partners, employees, representatives, agents, consultants, partners or advisers (the **Underwriter Parties**) have authorised, permitted or caused the issue, despatch or provision of this Retail Offer Booklet they do not take responsibility for any statements made in this Retail Offer Booklet or any action taken by you on the basis of such information. The Underwriters have not authorised, approved or verified any forward-looking statements included in this Retail Offer Booklet.

To the maximum extent permitted by law, each Underwriter Party excludes and disclaims all liability for any expenses, losses, damages or costs incurred by you as a result of your participation in the Entitlement Offer and this Retail Offer Booklet being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise, and make no representation or warranty, express or implied, as to the currency, accuracy, reliability or completeness of this Retail Offer Booklet.

The Underwriter Parties take no responsibility for any part of the Retail Offer Booklet or liability (including, without limitation, any liability arising from fault or negligence on the part of any person) for any direct, indirect, consequential or contingent loss or damage whatsoever arising from the use of any part of the Retail Offer Booklet or otherwise arising in connection with it.

None of the Underwriter Parties make any recommendations as to whether you or your related parties should participate in the Entitlement Offer, nor do they make any representations or warranties, express or implied, to you concerning this Entitlement Offer or any such information and you represent, warrant and agree that you have not relied on any statements made by the Underwriter Parties in relation to the New Shares or the Entitlement Offer generally.

Determination of eligibility of investors for the purposes of the institutional or retail components of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of Redbubble and the Underwriter. To the maximum extent permitted by law, each of the Underwriter Parties disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion.

5.9 Withdrawal of the Entitlement Offer

Redbubble reserves the right to withdraw or vary all or part of the Entitlement Offer and this Retail Offer Booklet at any time, subject to applicable laws, in which case Redbubble will refund Application Monies in relation to Entitlements and New Shares not already issued in accordance with the Corporations Act and without payment of interest. In circumstances where allotment under the Institutional Entitlement Offer has occurred, Redbubble may only be able to withdraw the Entitlement Offer with respect to New Shares to be issued under the Retail Entitlement Offer.

To the fullest extent permitted by law, you agree that any Application Monies paid by you to Redbubble will not entitle you to receive any interest and that any interest earned in respect of Application Monies will belong to Redbubble.

Corporate Directory

Company

Redbubble Limited
Level 3, 271 Collins Street
Melbourne VIC 3000

Redbubble Offer Information Line

Within Australia: 1300 407 677
Outside of Australia: +61 1300 407 677
Open between 8.30am to 5.00pm (Melbourne time) Monday to Friday from 31 October 2018 to 7 December 2018

Underwriters

Canaccord Genuity (Australia) Ltd
Level 4, 60 Collins Street
Melbourne VIC 3000

Petra Capital Pty Ltd
Level 17, 14 Martin Place
Sydney NSW 2000

Legal Adviser

Allens
Level 37, 101 Collins Street
Melbourne VIC 3000

Share Registry

Link Market Services Limited
Tower 4, 727 Collins Street
Melbourne VIC 3000 Australia



31 October 2018

NOT FOR RELEASE OR DISTRIBUTION IN THE UNITED STATES

Dear Shareholder,

Redbubble Limited – Retail Entitlement Offer – Notification to Ineligible Shareholders

On Wednesday, 24 October 2018, Redbubble Limited (ACN 119 200 592) (**Redbubble**) announced that it was conducting a capital raising by way of (a) a pro rata accelerated non-renounceable entitlement offer of new fully paid ordinary shares (**New Shares**) to eligible shareholders on a 1 for 13 basis (**Entitlement Offer**) and (b) an institutional placement (together with the Entitlement Offer, the **Offer**), to raise approximately \$60.6 million.

The Entitlement Offer comprises an institutional entitlement offer (**Institutional Entitlement Offer**) and an offer to Eligible Retail Shareholders (as defined below) to participate on the same terms (**Retail Entitlement Offer**). The Entitlement Offer is being made by Redbubble in accordance with section 708AA of the *Corporations Act 2001* (Cth) (the **Corporations Act**) as modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84*, meaning that no prospectus or other disclosure document needs to be prepared. The Institutional Entitlement Offer has already closed and the results were announced to the Australian Securities Exchange (**ASX**) on Monday, 29 October 2018.

This letter is to inform you about the Retail Entitlement Offer, and to explain why you will not be able to subscribe for New Shares under the Retail Entitlement Offer. This letter is not an offer to issue New Shares to you, nor an invitation to apply for New Shares. **You are not required to do anything in response to this letter.**

Details of the Retail Entitlement Offer

The Retail Entitlement Offer involves an offer to Eligible Retail Shareholders to subscribe for 1 New Share for every 13 existing ordinary shares in Redbubble held at 7:00pm (Melbourne time) on Monday, 29 October 2018 (**Record Date**), at a price of \$1.50 for each New Share. The Entitlement Offer is fully underwritten by Canaccord Genuity (Australia) Ltd (ACN 075 071 466) and Petra Capital Pty Ltd (ACN 110 952 782) (**Underwriters**).

Documents relating to the Retail Entitlement Offer (including the Retail Offer Booklet), were lodged with ASX on Wednesday, 31 October 2018 and are being mailed to Eligible Retail Shareholders.

Eligibility criteria

Shareholders who are eligible to participate in the Retail Entitlement Offer (**Eligible Retail Shareholders**) are persons at 7:00pm (Melbourne time) on the Record Date:

- (a) are registered as a holder of Shares;
- (b) have a registered address on the Redbubble share register in Australia or New Zealand;
- (c) are not in the United States and are not acting for the account or benefit of a person in the United States to the extent such persons hold Redbubble ordinary shares for the account or benefit of persons in the United States;

- (d) did not participate (other than as nominee, in respect of other underlying holdings) under the Institutional Entitlement Offer, and were not treated as ineligible institutional shareholders under the Institutional Entitlement Offer; and
- (e) are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

Redbubble has determined, pursuant to section 9A(3) of the Corporations Act and ASX Listing Rule 7.7.1(a), that it would be unreasonable to make offers to shareholders in countries other than Australia and New Zealand in connection with the Retail Entitlement Offer. This is due to the legal and regulatory requirements in countries other than Australia and New Zealand and the potential costs to Redbubble of complying with these requirements, compared with the relatively small number of shareholders in those countries, the relatively small number of existing Redbubble ordinary shares they hold and the relatively low value of New Shares to which those shareholders would otherwise be entitled to subscribe for.

Unfortunately, according to our records you do not satisfy the criteria for an Eligible Retail Shareholder. Accordingly, in compliance with ASX Listing Rule 7.7.1(b) and section 9A(3) of the Corporations Act, Redbubble wishes to advise you that it will not be extending the Retail Entitlement Offer to you and you will not be able to subscribe for New Shares under the Retail Entitlement Offer. You will not be sent the documents relating to the Retail Entitlement Offer nor be able to subscribe for New Shares under the Retail Entitlement Offer.

As the Entitlement Offer is non-renounceable, you will not receive any payment or value for Entitlements in respect of any New Shares that would have been offered to you if you were eligible.

If you have any questions, please call your stockbroker, accountant or other professional adviser or the Redbubble Offer Information Line on 1300 407 677 (within Australia) or +61 1300 407 677 (outside Australia) between 8:30am and 5pm (Melbourne time), Monday to Friday from Wednesday, 31 October 2018 to Friday, 23 November 2018.

On behalf of Redbubble, thank you for your continued support.

Yours sincerely,



Paul Gordon

Company Secretary

Important Notices

This letter is issued by Redbubble. It is not a prospectus or offering document under Australian law or under any other law. It is for information purposes only and does not constitute an offer, invitation, solicitation, advice or recommendation with respect to the issue, purchase or sale of any New Shares in Redbubble. This letter does not constitute financial product advice and does not and will not form part of any contract for the acquisition of Redbubble ordinary shares.

This letter does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States. The New Shares have not been and will not be registered under the US Securities Act of 1933, as amended (**US Securities Act**) or the securities laws of any state or other jurisdiction in the United States, and may not be offered, sold or resold in the United States except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and the applicable securities laws of any state or other jurisdiction in the United States. New Shares offered in the Retail Entitlement Offer may not be offered to or sold to persons in the United States or to persons who are acting for the account or benefit of persons in the United States. The New Shares offered in the Retail Entitlement Offer will be sold only in "offshore transactions" (as defined in Rule 902(h) under the US Securities Act) in compliance with Regulation S under the US Securities Act. Because of these legal restrictions, you must not distribute, release or send copies of this letter or any other material relating to the Retail Entitlement Offer to any person in the United States.

The distribution of this notice in other jurisdictions outside Australia may also be restricted by law and any such restrictions should be observed. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

Determination of eligibility of investors for the purposes of the institutional or retail components of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of Redbubble and the Underwriters. To the maximum extent permitted by law, each of Redbubble and the Underwriters and each of their respective affiliates disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion.