



## RECORD FY2021 RESULTS PROVIDE STRONG FOUNDATIONS FOR CONTINUING GROWTH

- Record Marketplace Revenue of \$553 million, up 58%
- Record Artist Revenue of \$104 million, up 58%
- Record EBITDA of \$53 million, up 930%

**Melbourne, Australia; 19 August 2021:** Redbubble Limited (ASX: RBL; ADR: RDBBY) today released its full year results<sup>1</sup> for the year ended 30 June 2021.

Redbubble delivered record financial results and operational achievements during FY21, providing strong foundations from which to drive future growth. The business is well capitalised to pursue its medium term aspirations with confidence and conviction.

### FY2021 Financial Performance

Redbubble's FY21 financial metrics (with YoY growth rates, where applicable) are:

- GTV of \$701 million, up 48% (60% on a constant currency basis<sup>2</sup>)
- Marketplace Revenue<sup>3</sup> of \$553 million, up 58% (71% on a constant currency basis)
- Gross profit<sup>4</sup> of \$223 million, up 66% (79% on a constant currency basis)
- EBITDA of \$53 million, up 930% (695% on a constant currency basis)
- EBIT of \$39 million, compared to a loss of \$9 million in FY20
- NPAT of \$31 million, compared to a loss of \$9 million in FY20
- Operating cash inflow of \$55 million, compared to \$47 million in FY20
- Closing cash balance at 30 June 2021 of \$99 million

FY21 Marketplace Revenue grew at a CAGR of 47% since FY19 (49% on a constant currency basis) and a CAGR of 41% since FY17. 4Q FY21 Marketplace Revenue grew at a CAGR of 27% since 4Q FY19 (32% on a constant currency basis).

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<sup>1</sup> The financial results have been audited and are on a delivered basis (unless otherwise noted). Strategic and operational metrics are from internal management reports and have not been audited.

<sup>2</sup> "Constant currency basis" reflects the underlying growth before translation to Australian dollars for reporting purposes. Redbubble sources about 93% of its Marketplace Revenue in currencies other than Australian dollars. TeePublic sources about 88% of its Marketplace Revenue in US dollars.

<sup>3</sup> Marketplace Revenue is total revenue less artist revenue (ie artist margin).

<sup>4</sup> Gross Profit is calculated based on Marketplace Revenue less fulfiller expenses, comprised of product and printing, shipping and transaction costs, and are equivalent to cost of goods sold.

Redbubble CEO, Michael Ilczynski, said: “The Redbubble marketplaces are flywheel businesses, where improving one side creates positive, reinforcing impacts on the other sides of the marketplace. We have witnessed this powerful flywheel effect throughout FY21. I am proud of the record financial results and operational achievements that the team has delivered during that time.

Artists earned \$104 million in revenue across the platforms in FY21, the largest ever annual amount. Artist activation and engagement remains a core growth pillar for Redbubble and we are committed to growing and optimising the library of unique content available on the platform.

We remain focused on the tremendous opportunity we have as a business, and on our medium term aspirations to grow GTV to more than \$1.5 billion, to grow Artist Revenue to \$250 million, and to produce Marketplace Revenue of \$1.25 billion per annum.

I would like to thank all the team across Redbubble and TeePublic for their efforts throughout the year, and for their dedication and ability to adapt to trying times to ensure the company was able to exceed both customer and artist expectations.”

### **FY2021 Operational Highlights**

During FY21, key marketplace metrics showed strong growth (with YoY growth rates, where applicable):

- 728,000 selling artists, up 54%
- 9.5 million unique customers, up 40%
- 67% growth in purchases from repeat customers, contributing 42% of Marketplace Revenue
- 55% of sales from mobile platforms, with 14% of Redbubble Marketplace Revenue from apps
- 44 fulfiller locations across the network, up from 41 at FY20
- 11.6 million packages shipped, up 47%

### **Strategic & Business Update**

As flagged in the Letter to Shareholders in April, Redbubble is undertaking investment in its four strategic themes to build a strong foundation for future growth. These are across:

- Artist activation and engagement
- User acquisition and transaction optimisation
- Customer understanding, loyalty and brand building
- Product Range and 3rd Party fulfillment network

These investments are focussed on initiatives to deliver continued top-line growth, reinforcing Redbubble’s competitive position and enabling the company to continue on its mission to create the world’s largest marketplace for independent artists.

### **Outlook**

In the near term, Redbubble will cycle strong prior period comparatives, particularly as mask sales contributed \$57 million to FY21 Marketplace Revenue, resulting in FY21 underlying Marketplace Revenue of \$497 million.

Redbubble expects FY22 Marketplace Revenue to be slightly above FY21 underlying Marketplace Revenue.

- 1H FY22 Marketplace Revenue growth will likely be negative YoY as the business cycles a particularly strong prior period (due to COVID and including masks, 1H FY21 saw 96% growth and 105% on a constant currency basis).
- From 2H FY22, Redbubble expects a steady return to YoY growth rates consistent with meeting its medium term aspirations.

Targeted investments will continue to be made and will affect Gross Margin, Marketing and OPEX lines. Investments in FY22 will focus on key aspects of the customer experience, both digital and physical. These are aimed at driving cumulative increases in users, order rate, average order value and repeat rate.

As noted in April, EBITDA margin as a percent of Marketplace Revenue is expected to be in the mid single digit range for FY22, with EBITDA margin expected to expand over the medium-term with top-line growth.

The business remains confident and excited about the medium to longer-term opportunity to grow strongly and extend Redbubble's global market leadership as the largest marketplace for independent artists.

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

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

**Michael Ilczynski (CEO) and Emma Clark (CFO) will host an investor update conference call via live webcast this morning at 10.00am (AEST) Thursday 19 August 2021 || 5.00pm (PDT) and 8.00pm (EDT) on Wednesday 18 August 2021.**

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

<https://s1.c-conf.com/diamondpass/10014962-f64sh8.html>

They will then receive a calendar invite and a unique code which is to be quoted when dialing into the call.

To ask a question, participants will need to dial “\*1” (star, 1) on their telephone keypad.

A full transcript and recording of the webcast will subsequently be made available on the Redbubble Group Investor Centre website: [shareholders.redbubble.com](https://shareholders.redbubble.com). The recording will also be available on [openbriefing.com](https://openbriefing.com).

**For further information, please contact:**

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### **About Redbubble Group**

Founded in 2006, the Redbubble Group incorporates Redbubble Limited and its subsidiaries, including TP Apparel LLC (TeePublic). The Redbubble Group owns and operates the leading global online marketplaces, Redbubble.com and TeePublic.com. The Redbubble Group's community of passionate creatives sell uncommon designs on high-quality, everyday products such as apparel, stationery, housewares, bags, wall art and so on. Through the Redbubble and TeePublic marketplaces, independent artists are able to profit from their creativity and reach a new universe of adoring fans. For customers, it's the ultimate in self-expression. A simple but meaningful way to show the world who they are and what they care about.

### **Forward-looking Statements**

This announcement includes certain forward-looking statements that are based on information and assumptions known to date and are subject to various risks and uncertainties. Actual results, performance or achievements could be significantly different from those expressed in, or implied by, these forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Redbubble Group. These factors may cause actual results to differ materially from those expressed in the statements contained in this announcement.