

14 August 2025

Articore positioned to deliver positive EBIT and improved cash flow in FY26

Articore Group Limited (Articore or the Group) today releases its audited financial results for the year ended 30 June 2025 (FY25) and provides FY26 guidance.¹

Articore has achieved its best fourth quarter in five years. This milestone marks a significant step forward in Articore's turnaround strategy, driven by disciplined cost management, supply chain synergies, and a unified 'one business' approach across its marketplaces. With gross profit margins hitting record highs and paid marketing efficiency driving further gains, Articore is positioned to continue this positive momentum into the next financial year.

4QFY25 highlights

- Marketplace revenue (MPR)² of \$79.2 million, stabilised to 6% down on prior corresponding period (pcp)
- Gross profit of \$39.4 million, up 2% and gross profit margin of 49.7%, the highest gross profit margin to date, up 430 basis points on pcp, driven by supply chain synergies
- Gross profit after paid acquisition (GPAPA) of \$24.6 million, up 8% on pcp and GPAPA margin of 31.0%, up 410 basis points on pcp, due to higher gross profit margin and improved paid marketing efficiency
- Opex reduced to \$20.3 million, 16% below pcp, reflecting cost discipline
- EBIT of \$0.6 million, the first profitable fourth quarter in five years
- Underlying cash flow³ of \$2.5 million, the strongest fourth quarter in five years, up \$6.0 million on pcp

FY25 highlights

- MPR of \$379.1 million, down 10% on pcp, as TeePublic's growth was offset by a decline in Redbubble's
- Gross profit of \$173.0 million, down 5% on pcp; gross profit margin up 270 basis points to 45.6%, reflecting the initial benefits of marketplace integration synergies
- GPAPA of \$100.6 million, down 7% on pcp, and GPAPA margin of 26.5%, 100 basis points higher than pcp and at the higher end of guidance (25%-27%)
- Opex of \$91.3 million, down 7% on pcp
- EBIT of -\$9.8 million, a 5% improvement on prior year (FY24: -\$10.3 million)
- Statutory Net Loss after tax of \$11.3 million (FY24: Net Loss after tax of \$8.8 million)
- Positive underlying cash flow of \$0.6 million. Excluding the investment in the Group's new product, Dashery, positive underlying cash flow of \$3.8 million
- Cash balance of \$28.4 million at 30 June 2025 (30 June 2024: \$36.9 million), reflecting positive underlying cash flow, offset by payables timing and the share buy back

Financial results

The following table details the Group's 4QFY25 and FY25 financial metrics compared to the 4QFY24 and FY24 financial metrics, respectively.

(A\$M)	4QFY24	4QFY25	% change	FY24	FY25	% change
MPR	84.6	79.2	(6%)	423.1	379.1	(10%)
Gross profit	38.4	39.4	2%	181.7	173.0	(5%)
Gross profit margin	45.4%	49.7%	4.3pp	42.9%	45.6%	2.7pp
GPAPA	22.8	24.6	8%	108.3	100.6	(7%)
GPAPA margin	26.9%	31.0%	4.1pp	25.6%	26.5%	1.0pp
Opex	24.1	20.3	(16%)	98.3	91.3	(7%)
EBIT	(5.9)	0.6	111%	(10.3)	(9.8)	5%
Underlying cash flow	(3.5)	2.5	173%	0.9	0.6	(35%)

FY26 guidance and outlook

The Group is committed to a clear list of priorities to build on its recent progress:

- Unlock new revenue streams by scaling high-performing content, enhancing monetisation opportunities for Articore and creators, and expanding into new sales channels;
- Stabilise the Redbubble marketplace's revenue decline by applying learnings from TeePublic;
- Implement further cost savings and efficiencies to improve margins; and
- Harmonise the marketplaces' tech stacks and operations to achieve future cost savings, starting with marketing platforms and extending to broader systems.

In FY25, the Group's GPAPA margin rose to 26.5%. With further gains expected in FY26, the Group is targeting a GPAPA margin between 27% and 29%.

The Group expects to deliver EBIT between \$2 million and \$8 million in FY26, alongside underlying cash flow between \$5 million and \$12 million. This is a significant turnaround in the Group's financial performance, as it has not delivered positive EBIT since FY21.⁴

Group CEO and Managing Director remarks

Vivek Kumar, Group CEO and Managing Director of Articore, said, "Our turnaround strategy is delivering results and building strong momentum. We have just delivered the best fourth quarter in five years, generating \$2.5 million of underlying cash flow in a typically soft quarter. This positive trajectory is a result of the disciplined restructuring and execution, including combining our marketplace operations under one executive team.

"This 'one business' execution has already driven significant improvements, including greater supply chain efficiencies that led to a full-year gross profit margin of 45.6% and impactful differences in our paid marketing that helped us achieve a GPAPA margin of 26.5%, at the higher end of our guidance. These strong foundations as we exit FY25 position us to drive a material improvement in EBIT and positive underlying cash flow in FY26."

Market briefing

Vivek Kumar (Group CEO) and Curtis Davies (Interim Group CFO) will host a market briefing at 9.30am (AEST) Thursday, 14 August 2025 | 4.30pm (PDT) and 7.30pm (EDT) on Wednesday, 13 August, 2025.

Please register for the webcast via the following link: <https://webcast.openbriefing.com/atg-fyr-2025/>.

For further information, please contact:

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About Articore Group

Articore owns and operates the leading global online marketplaces, Redbubble.com and TeePublic.com. The Group's community of passionate creatives sell uncommon designs on high-quality, everyday products such as apparel, stationery, housewares, bags and wall art. Through the Redbubble and TeePublic marketplaces, independent artists are able to profit from their creativity and reach a new universe of adoring fans. For the artists' 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.

Founded in 2006, Articore Group (ASX: ATG) was previously known as Redbubble Limited (ASX: RBL).

Forward-looking statements

This announcement contains forward-looking statements in relation to the Articore Group, including statements regarding the Group's intent, belief, goals, objectives, initiatives, commitments or current expectations with respect to the Group's business and operations, market conditions, results of operations and financial conditions, products in research, and risk management practices. Forward-looking statements can generally be identified by the use of words such as "forecast", "estimate", "plan", "will", "anticipate", "may", "believe", "should", "expect", "project", "intend", "outlook", "target", "assume" and "guidance" and other similar expressions. The forward-looking statements are based on the Group's good faith assumptions as to the financial, market, risk, regulatory and other relevant environments that will exist and affect the Group's business and operations in the future. The Group does not give any assurance that the assumptions will prove to be correct. The forward-looking statements involve known and unknown risks, uncertainties and assumptions and other important factors, many of which are beyond the control of the Group, that could cause the actual results, performances or achievements of the Group to be materially different to future results, performances or achievements expressed or implied by the statements. Factors that could cause actual results to differ materially include: changes in government and policy; actions of regulatory bodies and other governmental authorities such as changes in taxation or regulation (or approvals under regulation); the effect of economic conditions; technological developments; and geopolitical developments.

Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as at the date of the announcement. The Group disclaims any responsibility for the accuracy or completeness of any forward-looking statement. Except as required by applicable laws or regulations, the Group does not undertake any obligation to publicly update or revise any of the forward-looking statements or to advise of any change in assumptions on which any such statement is based. Any projections or forecasts included in this announcement have not been audited, examined, or otherwise reviewed by the independent auditors of the Group.

This announcement was authorised for release by the Articore Group Board.

Appendix 1: 4QFY25 and FY25 Articore profit and loss statement

This table should be read in conjunction with the Group's financial statements for the twelve months ending 30 June 2025.⁵

(A\$M)	4QFY24	4QFY25	%change	%cc change ⁶	FY24	FY25	%change	%cc change
Total revenue	98.9	91.9	(7%)	(10%)	493.0	438.6	(11%)	(12%)
Less: creator revenue	(14.3)	(12.6)	(11%)	(15%)	(69.9)	(59.6)	(15%)	(16%)
MPR	84.6	79.2	(6%)	(10%)	423.1	379.1	(10%)	(12%)
Gross profit	38.4	39.4	2%	(1%)	181.7	173.0	(5%)	(6%)
Gross profit margin	45.4%	49.7%	4.3pp	4.2pp	42.9%	45.6%	2.7pp	2.7pp
Paid acquisition	(15.7)	(14.8)	(5%)	(8%)	(73.4)	(72.4)	(1%)	(3%)
GPAPA	22.8	24.6	8%	4%	108.3	100.6	(7%)	(9%)
GPAPA margin	26.9%	31.0%	4.1pp	3.9pp	25.6%	26.5%	1.0pp	0.9pp
Operating expenses	(24.1)	(20.3)	(16%)	(18%)	(98.3)	(91.3)	(7%)	(8%)
Operating EBITDA	(1.3)	4.2	417%	372%	10.0	9.3	(7%)	(15%)
Other income/expenses	(1.2)	(1.0)	(12%)	(1%)	(6.5)	(7.4)	14%	1%
EBITDA	(2.5)	3.2	229%	197%	3.5	1.9	(46%)	(38%)
Depreciation and amortisation	(3.4)	(2.6)	(25%)	(26%)	(13.8)	(11.7)	(15%)	(16%)
EBIT	(5.9)	0.6	111%	99%	(10.3)	(9.8)	5%	7%
Interest income/(expense)	0.1	0.0	(94%)	(95%)	0.1	0.1	(2%)	(7%)
Tax expense	(0.4)	(2.1)	429%	418%	(1.4)	(1.6)	16%	14%
Net profit/(loss)	(6.2)	(1.4)	77%	67%	(11.6)	(11.3)	2%	4%
Add back underlying adjustment to reconcile to prior year statutory results	-	-			2.7	-		
Reported total profit/(loss) for the year in Statutory Financial Statements	(6.2)	(1.4)	77%		(8.8)	(11.3)	(28%)	

Endnotes

1. All references to dollar amounts or figures are in AUD unless stated otherwise. Non-IFRS measures are presented to provide readers a better understanding of Articore's financial performance. Non-IFRS measures include gross profit, GPAPA, operating EBITDA, EBITDA, EBIT, opex and underlying cash flow. The non-IFRS and 4QFY25 measures are unaudited, however, they have been derived from the audited financial results. The prior year numbers shown in this presentation are underlying numbers and may differ from those reported in the statutory financial statements. Please see the table on page 4 of this announcement for an explanation of the underlying adjustment.
2. Marketplace revenue is total revenue less creator revenue.
3. Underlying cash flow defined as operating EBITDA plus net interest earned, less lease related expenses (excluding the impact of lease impairments), payments for capitalised development costs and property, plant and equipment (PPE)
4. Our ability to achieve this aim is highly dependent on various factors including consumer demand, foreign exchange rates, geographic and product mix
5. Non-IFRS measures are presented to provide readers a better understanding of Articore's financial performance. Non-IFRS measures include gross profit, GPAPA, operating EBITDA, EBITDA, EBIT, opex and underlying cash flow. The non-IFRS and 4QFY25 measures are unaudited, however, they have been derived from the audited financial results. The prior year numbers shown in this announcement are underlying numbers and may differ from those reported in the statutory financial statements. The FY24 statutory results include a one-off release of an accrual that has been excluded in this announcement for the purpose of assessing the Group's performance on a like-for-like basis. Prior year Gross profit, GPAPA, EBITDA, operating EBITDA, EBIT and Net profit/(loss) are \$2.7million lower in this announcement than is shown in the statutory financial statements.
6. Constant currency. Reflects the underlying growth before translation to Australian dollars for reporting purposes. Redbubble sources about 88% of its marketplace revenue in currencies other than Australian dollars. TeePublic sources about 90% of its marketplace revenue in US dollars.