



ASX Announcement | 30 July 2015

Freelancer delivers a record result with accelerating growth in both revenue and gross payments volume, and achieves positive operating cashflow

Thursday, 30th July 2015 - Freelancer Limited (ASX:FLN) (**Freelancer** or the **Company**), the world's largest freelancing and crowdsourcing marketplace by total number of users and posted projects, today announced its financial results for the half year ended 30 June 2015 (**1H15**). During the period, the Company had exceptional growth in registered users, and saw a significant acceleration of growth in projects and contests posted.

In 1H15 the Company delivered record financial results through accelerating growth, a 41% increase in net revenue on the prior corresponding period to \$16.8 million. Gross Payment Volume¹ in 1H15 grew strongly to \$64.1 million (up 30% on the prior corresponding period).

As at 30 June 2015, the Company held cash and equivalents of \$31.1 million. The Company had positive operating cashflow of \$1.1 million for the period.

In line with its strategy of re-investing for growth, the company continued its focus on product development, improved user experience, user and project acquisition, and customer service. As a result of this re-investment, the company reported an operating NPAT of \$(0.8) million and operating EBITDA of \$(1.0) million².

In 1H15, the Company acquired Escrow.com – the leading provider of secure online payments for consumers and businesses on the Internet, with the acquisition expected to close in 2H15.

Results overview

A\$m, Half year ended 30 June 2015 (A\$m)	1H14	1H15	Growth
Net Revenue	11.9	16.8	40.8%
Gross Payment Volume ¹ (unaudited)	49.5	64.1	29.7%
Take rate ³ (%)	24.0%	26.2%	+ 2.2%
Gross margin (%)	88.3%	87.3%	- 1.0%
Operating EBITDA ²	(0.8)	(1.0)	nm
Operating EBIT ²	(0.9)	(1.2)	nm
Operating NPAT ²	(0.6)	(0.8)	nm
New registered users (unaudited)	2.8 million ⁴	1.8 million	
Total number of registered users (unaudited)	12.4 million	15.9 million	
New projects & contests posted (unaudited)	0.75 million	1.0 million	
Total number of projects & contests posted (unaudited)	6.1 million	8.0 million	
Cash and cash equivalents	19.7	31.1	

¹ Gross Payment Volume (GPV) is calculated as the total payments to Freelancer users for products and services transacted through the Freelancer website plus total Freelancer Revenue.

² Operating earnings are exclusive of non-cash share based payments expense of \$466k in 1H15.

³ Take rate is calculated as Net Revenue divided by Gross Payment Volume.

⁴ 1.8 million organically, 1.0 million acquired including Warrior Forum



Commenting on the result, Freelancer’s CEO and Chairman Matt Barrie said, “Freelancer is a high growth Internet company and consistently delivers high growth in net revenue each year. We are proud of having proved this track record of high revenue growth yet again, and at an accelerating rate.

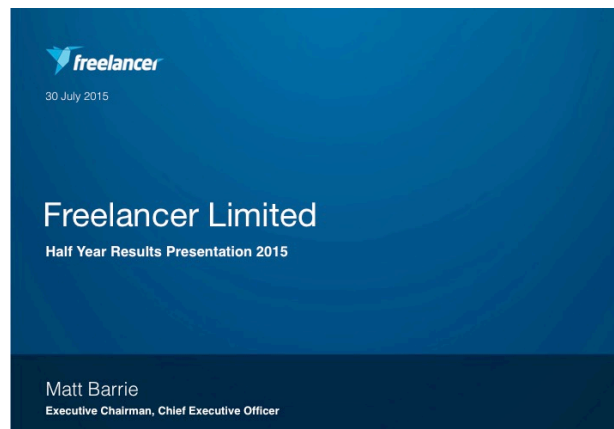
In 1H15 our focus was continued growth in project & contest volume, international growth in countries and languages, and growth in mobile usage. We built even better tools to communicate & collaborate, improved our internal algorithms including matchmaking. We improved the customer experience in multiple dimensions, including launch of our Showcase app and website - a cross-platform design gallery of millions of easily browsable portfolio items.

We launched local jobs in 100 new categories of location specific work, increasing our total addressable market from c.\$122 billion to several hundred billion dollars per annum. We continued to execute on our bolt-on acquisition strategy, acquiring two small marketplaces.

We acquired Escrow.com, the leading provider of secure online payments on the Internet. This business had 2014 gross payment volume of US\$265 million, 2014 net revenue of US\$5 million, and 2014 US\$1.2 million in EBITDA - with over US\$2.2 billion in transactions to date.

We also won four awards including Best Employment Website, Best Professional Services Website and the People’s Voice in both categories.”

A video and audio recording of CEO Matt Barrie presenting the 1H15 results is available to view online now:



[Click here to watch Freelancer CEO Matt Barrie present the 1H15 results presentation](#)

Commenting on the rest of the year ahead for Freelancer, Mr Barrie added, “We are continuing to focus on the product, user experience, scalability and expanding the features of the marketplace offering. We will also continue to focus on expanding the functionality and penetration of our platform across mobile devices, and will continue to expand across regional and multilingual markets, and further across job categories.”

“Escrow.com is a major strategic acquisition for us. All major global marketplaces have captive payment systems. Escrow.com is the world’s #1 company for secure online payments, with exceptional network effects with the Freelancer group. It is an acquisition that materially enhances our ability to capture more of the value chain and provide value-added services.”

ENDS



For more information, contact:

Christopher Koch Deputy Chief Financial Officer & Investor Relations
Tel: +61 409 788 637
Email: christopher@freelancer.com

<http://www.freelancer.com>

About Freelancer

Eight-time Webby award-winning Freelancer.com is the world's largest freelancing and crowdsourcing marketplace by total number of users and projects posted. 16 million registered users have posted 8 million projects and contests to date in over 850 areas as diverse as website development, logo design, marketing, copywriting, astrophysics, aerospace engineering and manufacturing. Freelancer Limited is listed on the Australian Securities Exchange under the ticker ASX:FLN.