



## ASX Announcement | 28 July 2016

### Freelancer reports record 1H16 results with revenue of \$26.2m (up 56%)

**Thursday, 28 July 2016** - Freelancer Limited (ASX:FLN) (Freelancer or the Company), the world's largest freelancing and crowdsourcing marketplace by total number of users and posted jobs, today reports 1H16 results with revenue up 56%. The Company reports on a calendar year financial year, 1H16 is the 6-month period ending 30 June 2016.

Gross Payment Volume in 1H16 grew strongly to \$354.9 million (up 453% on pcp). As at 30 June 2016, the Company held cash and equivalents of \$35.2 million.

Focusing on an increased investment in talent and on repositioning the newly acquired Escrow.com business for growth, during 1H16 the Company delivered positive operating cashflow of \$4.5 million. The Company achieved positive operating EBITDA of \$0.1 million.

Year ended 31 December	1H16 \$m	1H15 \$m	Change
<b>Financial metrics (\$m):</b>			
Gross Payment Volume <sup>1</sup>	354.9	64.1	453%
Net Revenue <sup>2</sup>	26.2	16.8	56%
Gross Profit	22.7	14.7	54.2%
<i>Gross margin (%)</i>	<i>86.7%</i>	<i>87.8%</i>	<i>110bp</i>
Operating EBITDA <sup>3</sup>	0.1	(1.0)	nm
Operating EBIT <sup>3</sup>	(0.3)	(1.2)	nm
Operating NPAT <sup>3</sup>	(0.1)	(0.8)	nm
Operating Cash Flow	4.5	1.1	409%

**Notes:**

- (1) Gross Payment Volume (GPV) is calculated as the total payments to Freelancer and Escrow users for products and services transacted through the Freelancer and Escrow websites plus total Freelancer and Escrow revenue. Escrow.com contributed to the Company's results from 1 November 2015 (no contribution in 1H15). GPV is an unaudited metric.
- (2) Freelancer core contribution: \$21.8m, up 30% on 1H15. Escrow.com contribution: A\$4.3m (up 18% on 1H15 in constant USD)
- (3) Operating earnings are exclusive of non-cash share based payments expense of \$665k in 1H16 and \$466k in 1H15. D&A 1H16 \$354k, 1H15 \$205k.

**Commenting on the result, Freelancer's CEO and Chairman Matt Barrie said,** "Freelancer is continuing its exceptional growth, with record net revenue, gross volumes, registered users and posted projects in 1H16. Freelancer's growth is accelerating and it is at an inflection point in terms of profitability."

"Freelancer is strongly operating cash flow positive and also operating EBITDA positive, reducing operating risk while maintaining a unique exposure to a deflationary environment."

Matt Barrie has recorded a video of the results presentation and commentary, which is available at <https://freelancer.wistia.com/medias/lfv3ce5a8s>.

ENDS



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**About Freelancer**

Ten-time Webby award-winning Freelancer.com is the world's largest freelancing and crowdsourcing marketplace by total number of users and projects posted. 20 million registered users have posted over 9.6 million projects and contests to date in over 900 areas as diverse as website development, logo design, marketing, copywriting, astrophysics, aerospace engineering and manufacturing. Freelancer owns Escrow.com, the leading provider of secure online payments and online transaction management for consumers and businesses on the Internet. Freelancer Limited is listed on the Australian Securities Exchange under the ticker ASX:FLN.