



ASX Announcement | 23 February 2016

Freelancer reports record FY15 results with revenue of \$38.6m (up 48%)

Tuesday, 23rd February 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 FY15 results with revenue up 48%. The Company reports on a calendar year financial year.

In FY15 the Company delivered record financial results with a 48% increase in net revenue on the prior year to \$38.6 million. Gross Payment Volume in FY15 grew strongly to \$229.3 million (up 120% on the prior year). As at 31 December 2015, the Company held cash and equivalents of \$32.2 million.

Focusing on an increased investment in talent during FY15, the Company delivered positive operating cashflow of \$1.5 million. To manage its investment in future growth, the Company targeted and achieved operating EBITDA of (\$2.0) million, in line with FY14.

Year ended 31 December	FY15	FY14	% Change
Financial metrics:			
Gross Payment Volume ¹	229.3	103.8	+120%
Net Revenue ²	38.6	26.1	+48%
Gross Profit	33.5	22.8	+47%
Gross margin (%)	86.7%	87.1%	(0.5%)
Operating EBITDA ³	(2.0)	(2.1)	+5%
Operating EBIT ³	(2.5)	(2.4)	(3%)
Operating NPAT ³	(1.6)	(1.5)	(13%)
Operating Cash Flow	1.5	(0.1)	nm
Operational metrics:			
New Registered Users ⁴ (millions)	4.4	4.6	
Number of Total Jobs Posted (filtered) ⁵ (millions)	1.7	1.4	

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. GPV is an unaudited metric.
- (2) Escrow.com contributed to the Company's results from 1 November 2015 to 31 December 2015. Net Revenue excluding Escrow.com for FY15 was \$36.8m (up 41% on prior corresponding period "pcp"). GPV excluding Escrow.com for FY15 was \$138.2m (up 33% on pcp).
- (3) Excludes non-cash share based payments expense of \$1,164k in FY15 and \$388k in FY14.
- (4) User and project/contest data includes all users and projects/contests from acquired marketplaces. Prior to May 2009, all data is from acquired marketplaces. Includes Escrow.com unique users.
- (5) Total Projects and Contests Posted was redefined in January 2016 to Total Jobs Posted (filtered). Jobs Posted (Filtered) is defined as the sum of Total Posted Projects and Total Posted Contests, filtered for spam, advertising, test projects, unawardable or otherwise projects that are deemed bad and unable to be fulfilled.



Commenting on the result, Freelancer's CEO and Chairman Matt Barrie said, "Freelancer is a high growth Internet company. Since listing it has continued to deliver exceptional growth in net revenues, driven by growth in marketplace volumes, increased efficiency and quality of the marketplace and increased sales of value added services. We are proud of having continued our track record of high revenue growth yet again.

Commenting on the financial reports, Freelancer's Deputy CFO Christopher Koch said "Freelancer distinguishes itself through its very strong balance sheet (\$32 million in cash at 31 December 2015), positive operating cashflow of \$1.5 million, and a disciplined marketing-to-sales ratio of less than 18%, highlighting the high ROI of the Company's approach to acquiring new users, project and contests. On a pro-forma basis for FY15, the Company's P&L had gross payment volume in excess of \$700 million, demonstrating the scale of the Company's operations."

Commenting on the future, Mr Barrie said "Freelancer's marketplace business is acyclical. The global financial crisis led to the original emergence of the online crowdsourcing and freelancing industries. Employers looked online to hire freelancers rather than fulltime staff, workers looked to the Internet to find new sources of employment. It was a driver of growth for our business."

"Freelancer's growth is accelerating. The acquisition of Escrow.com is a strategic and operational inflection point for Freelancer. 2016 will be an exceptional year for Freelancer as we continue to grow the world's largest freelancing and crowdsourcing platform alongside the leading provider of secure online payments and online transaction management for consumers and businesses on the Internet."

Matt Barrie has recorded a video of the results presentation and commentary, which is available at <https://freelancer.wistia.com/medias/u2a6kbvu0b>

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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. More than 18 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 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.