

## ASX Announcement | 21 October 2020

### Quarterly Cash Flow and Activity Report for quarter ending 30 September 2020

**Freelancer Group delivers cash receipts of \$15 million in 3Q20 (up 4.8% on pcp). Group GPV in the quarter was an all-time record of \$213.3m, up 7.9% on pcp (US\$152.0 million, up 12.6% on pcp). Freelancer segment Gross Payment Volume for 3Q20 was \$48.4m, up 6.1% on pcp (US\$34.1 million, up 11.5% on pcp) (unaudited). Escrow segment Gross Payment Volume for 3Q20 was \$164.9 million, up 8.4% on pcp (US\$117.9 million, up 12.9% on pcp) (unaudited). The group had positive net operating cash flow of \$1.6 million for the quarter (year to date \$7.8 million), achieving four quarters of positive operating cash flow in a row. It ended 3Q20 with cash and cash equivalents of \$37.1 million, up 9.9% on pcp.**

**SYDNEY, 21 October 2020** - Freelancer Limited (ASX: FLN), the world's largest freelancing and crowdsourcing marketplace by total number of users and jobs posted, today released its Quarterly Cash Flow Statement (Appendix 4C) for the quarter ending 30 September 2020 (3Q20).

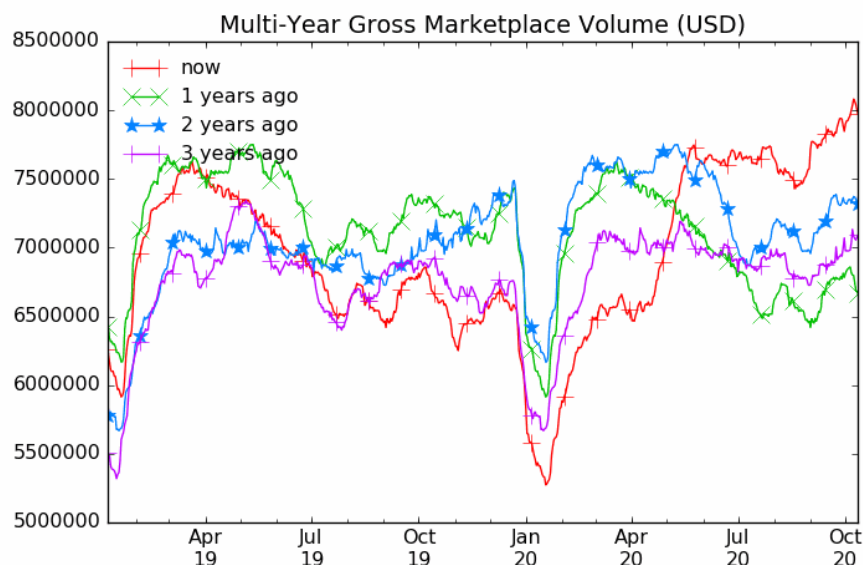
**Freelancer.com**



Gross marketplace volume (payments to freelancers) continues to hit all-time record highs. In 3Q20, GMV was US\$25.5m, up 16.9% on pcp. Gross payment volume (payments into the marketplace ie. GMV + revenue) was the second highest on record after 2Q20 at AU\$48.4 million (up 6.1% on pcp) or US\$34.1 million (up 11.5% on pcp). In Australian dollars,

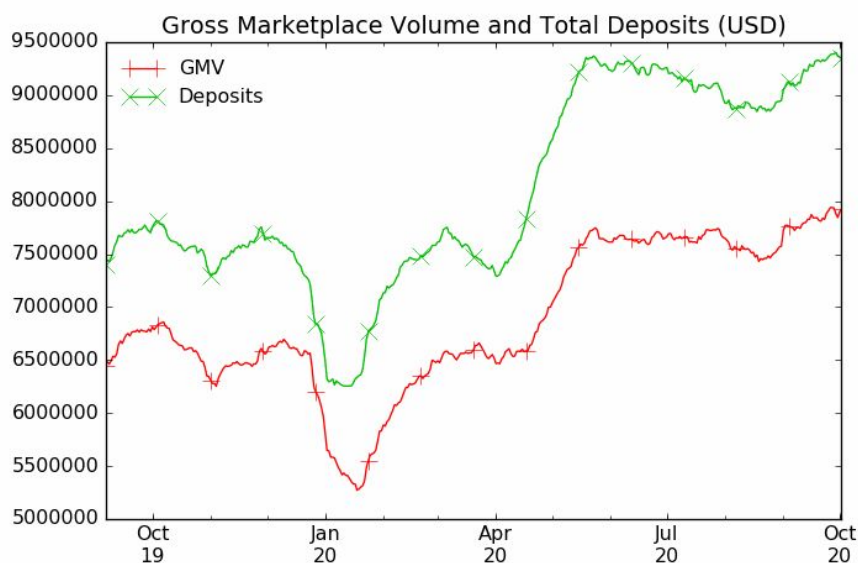
currency was a 8.8% headwind in the quarter as the AUD appreciated from an average rate of 0.6567 to 0.7149 against the USD.

### Demand (Clients)



**Figure 1:** Gross Marketplace Volume continues to hit all-time highs (red line)

From March 2020 onwards, Freelancer received a large growth in new traffic to the website as freelancers looked for work online, businesses increasingly moved to work remotely and clients looked to hire more cost effectively. In 3Q20, for example, web traffic sessions were up 30.8% to 36 million and page views up 88% to 312 million. This resulted in 2.07 million new registered users in 3Q20, up 80% on the prior corresponding period. Similarly, jobs posted (filtered) were 657,000 in 3Q20, up 19.1% on 3Q19<sup>1</sup>.



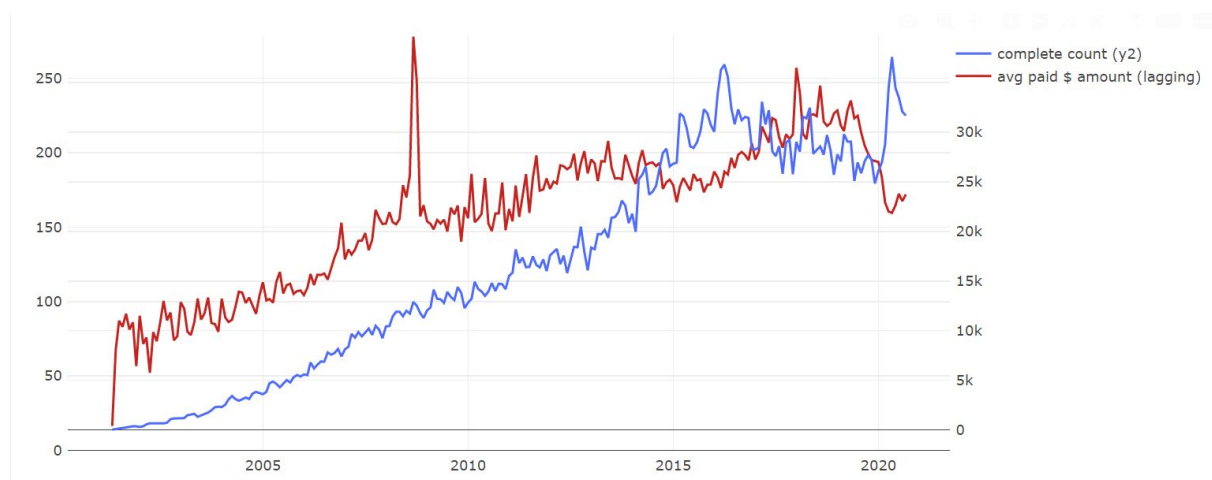
**Figure 2:** Gross Marketplace Volume and Total Deposits continue to hit all-time highs

<sup>1</sup> 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.

## Supply (Labour)

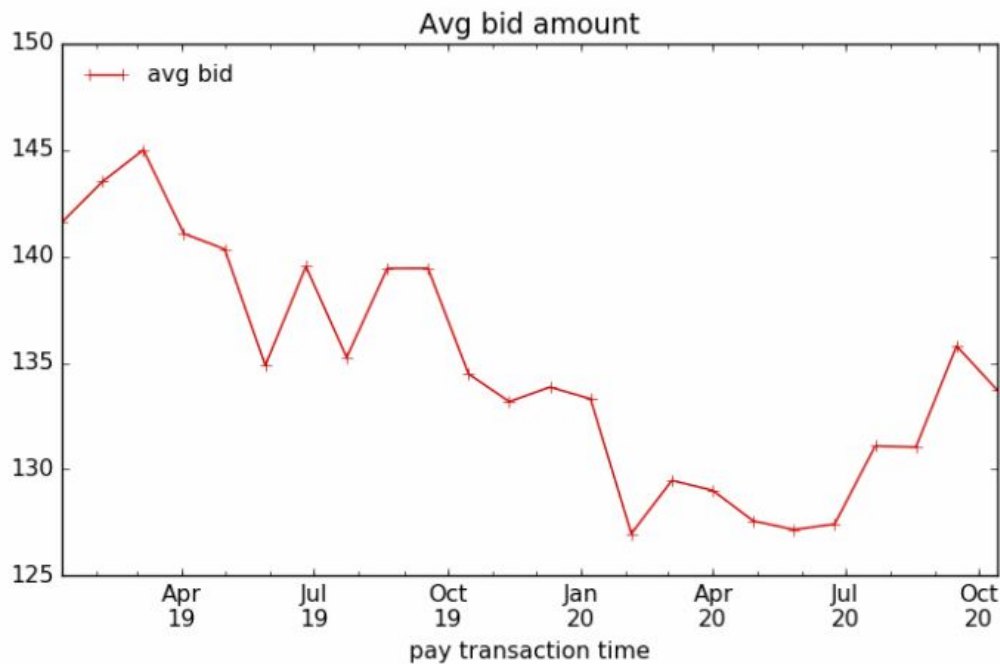
Freelancer.com continues to be the world's largest marketplace for freelancer talent by number of users by a large margin. As of the time of writing this report mid October, the total number of registered users in Freelancer.com was over 48 million.

In the 1H20 report we detailed how in response to the big growth in new clients and freelancers that the average completed project size fell from US\$216 to \$161. This drop was combined with a large influx of new freelancers looking to earn money for the first time combined with the large number of new clients who typically start off spending less, and once they gain familiarity with the platform, they spend more over time. By the end of 3Q20, the average completed project size had lifted to \$172.



**Figure 3:** Average paid completed projects over time (lagging)

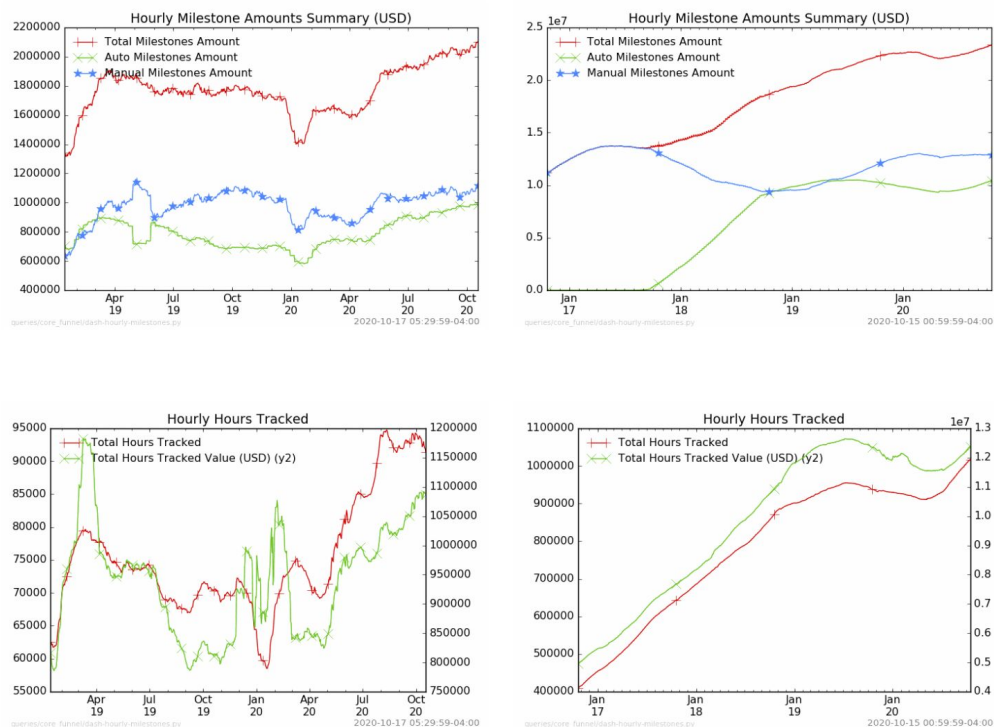
Similarly, the average bid amount has started to rise after the flood of new business in March-June as a result of Covid. The monthly active bidding users peaked in April and July 2020 at around 70% up from Jan 6. The number of monthly (rolling 28 days) active bidding users is up 39.8% from January to September 2020, coming off slightly due to the northern hemisphere summer (seasonal).



**Figure 4:** Average bid amount (USD equivalent)

## Projects

We are pleased to report that we have finally fixed the hourly projects funnel which experienced feature incompatibility as a result of the migration of the website to the webapp architecture.



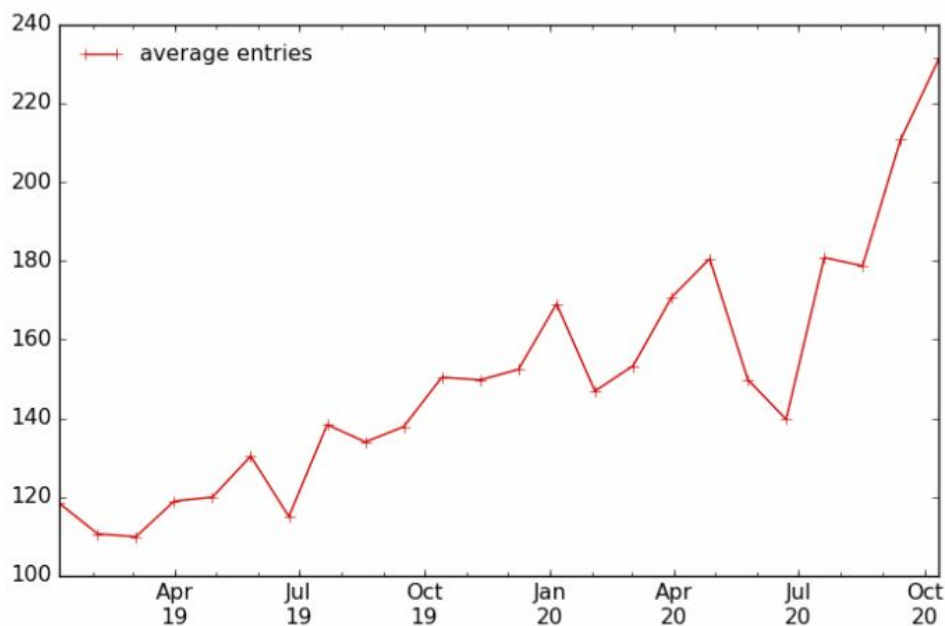
**Figure 5:** Hourly milestones and tracked hours

This involved improving the user experience across all touchpoints - the website project flow as well as the time tracking app. Milestone value in USD is up 26.5% in 3Q20 on pcp.

## Contests

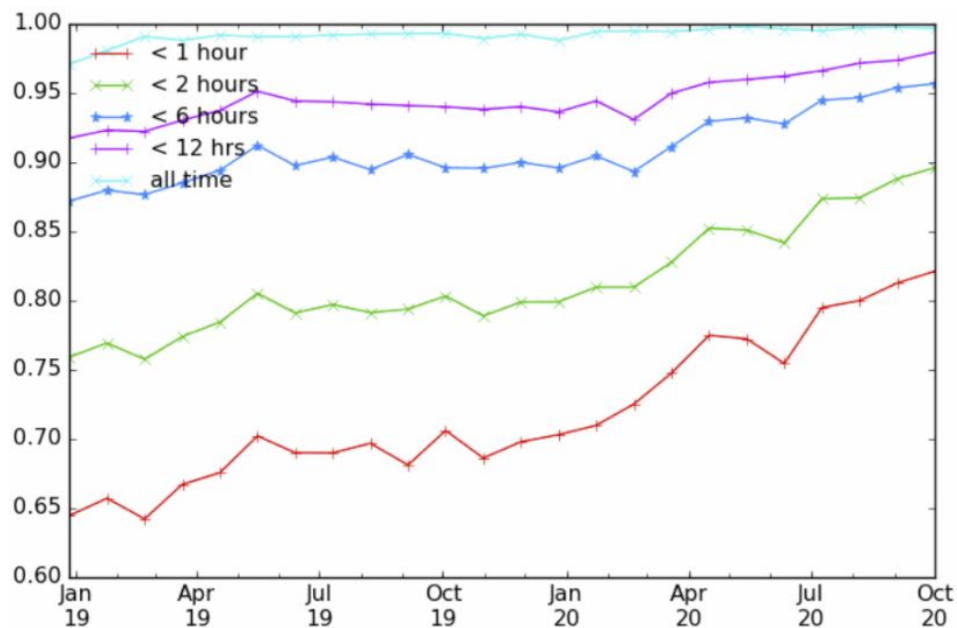
Contest participation continues to skyrocket. The average number of entries per contest in the last 28 days on a rolling basis at the end of the quarter was over 230.

Enterprise continues to embrace contests, especially for large scale ideation. For example, a subsidiary of Philip Morris posted a US\$20,500 contest to source ideas to automate grocery retail checkout processes.



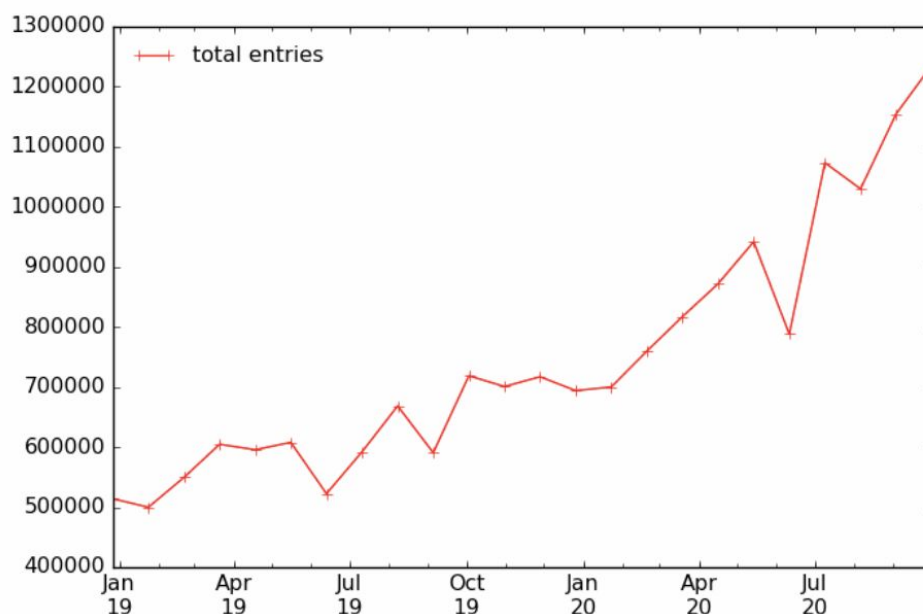
**Figure 6:** Average number of entries per contest (28 days rolling)

On average, over 82% of contests receive an entry now within the first hour.



**Figure 7:** Total number of entries for contests (28 days rolling)

Contests now receive over 1.2 million entries per month, up 36% on pcp.



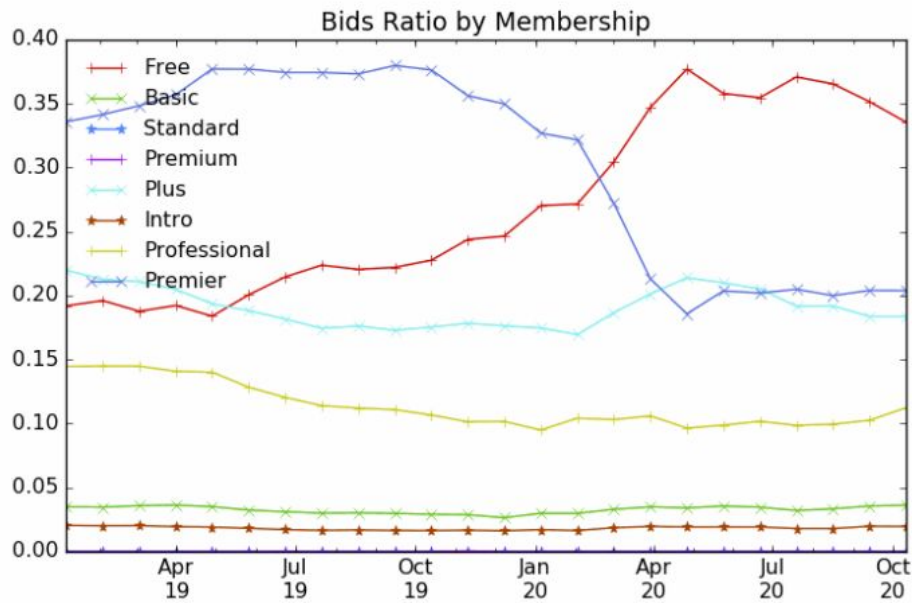
**Figure 8:** Total number of entries for contests (28 days rolling)

### Low quality bids, Memberships and Expired Fees

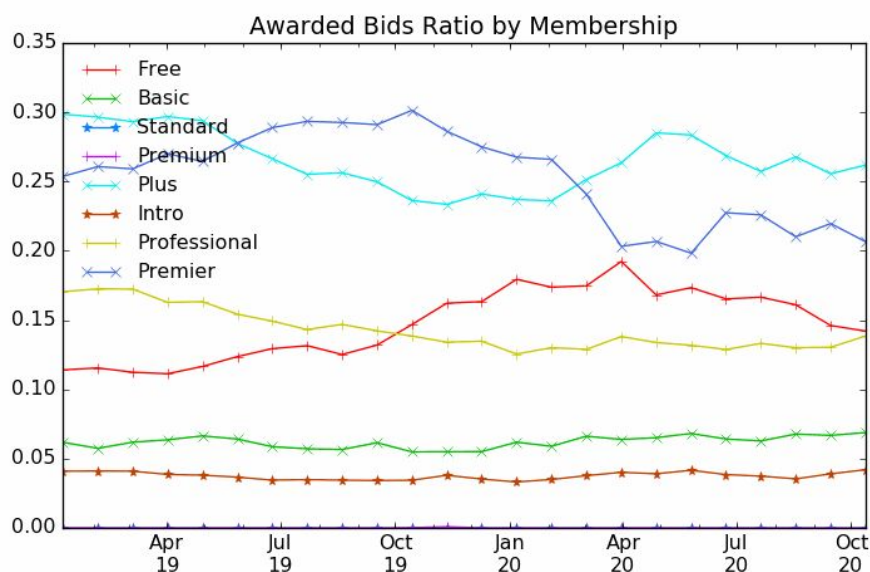
The marketplace is a dynamic system which makes it complex to guide user behaviours. One behaviour that we have been trying to guide is to reduce low quality bids, for example where freelancers spray out cut and paste bids on projects without reading the project description and responding to it appropriately in their proposal. At the end of 2019 we launched efforts to crack down on this by allowing it to be reported by the community and

monitoring via algorithm. The flagged bid is then reviewed and processed by an operational team, which applied a timeout penalty with exponential backoff.

This did have the expected effect of improving the quality, but also resulted in freelancers on the very top membership plan with the highest number of allocated bids downgrading their plans. The ratio of bids in the marketplace that came from freelancers on the top (Premier) plan dropped from 37% to 20%. At the same time the marketplace saw a large influx of new freelancers as Covid hit, with awarded bids to free members peaking at 20%, up from 12% the year before- almost twice as many projects are being won by freelancers who are new to the website.



**Figure 9:** Ratio of bidding (count) by membership

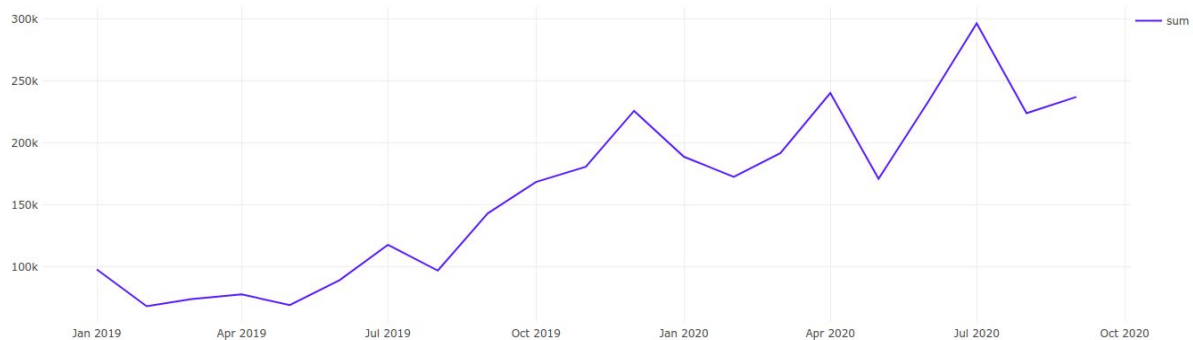


**Figure 10:** Ratio of awarded bids (count) by membership

The flipside of this is that new freelancers are the least reliable to complete a project. While active milestones (funds pending to be paid out on projects in progress) are up 23% in



September 2020 on pcp, fees from new freelancers that have been levied a fee but failed to complete the project and abandoned their account, resulting in fee expiry 90 days later increased US\$250-300k per month. Part of this amount will be valid projects with expired project fees from unreliable freelancers (for the most part new freelancers) and part will be from projects that are awarded by unreliable clients. We are working on programs to improve the metrics from both segments and greatly reduce the amount of expired fees per month.



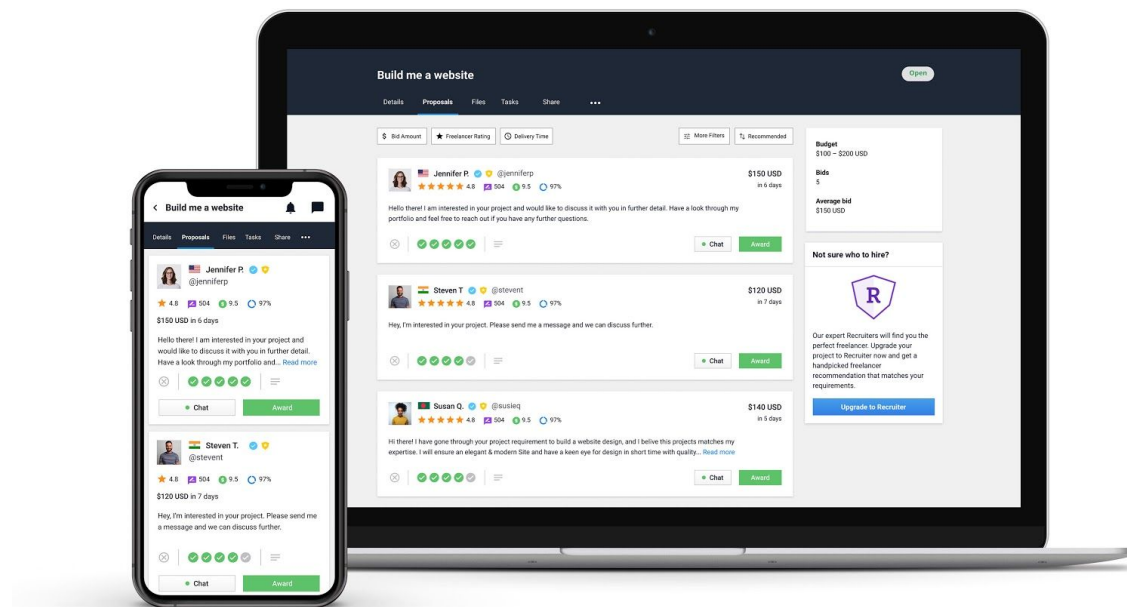
**Figure 11:** Sum of expired project fees grouped by expiry date (90 days after creation, USD)

In such a highly complex system, modifications to the marketplace need to be taken with care to avoid *schlimmbesserung*- making things worse through an effort to improve. In a marketplace of close to 48 million competitive humans, changes to the system will cause changes in user behaviour which need to be monitored closely. In order to reduce the fee expiry issue from new freelancers we are embarking on a number of initiatives. The first is that we have tightened up payment verification of freelancers and will continue to do so. The second is that we are gently calibrating the free plan offerings to encourage more paid memberships. Third, we are looking at lifting the trust & safety verification parameters on accounts before they are allowed to bid. Finally, we are going to start requiring that high value projects are only bid on by either those with the Verified by Freelancer rating or those that are part of the Preferred Freelancer Program.

## Mobile

On the mobile front, early in Q3 we achieved a huge milestone - the replacement of our standalone legacy mobile website with our fully-featured modern single page architecture web application (webapp). We continued to iterate on improving the mobile webapp experience throughout the quarter.





**Figure 12:** The freelancer website is now mobile responsive

Since we replaced the legacy mobile website with the responsive webapp version, we have seen a lift in fees, with project fees from the mobile webapp up 54.8% in 3Q20 on pcp and total fees up 57.6% on pcp.

The next phase is to replace the iOS and Android apps. In 3Q20 we also spent a considerable amount of effort building the groundwork to allow us to package up our new webapp frontend and deliver it as an app in both the iOS and Android app stores. We are pleased to announce that this work is now complete, and we expect to enter beta testing with customers by the first week of November, with a staged release to follow towards the end of Q4.

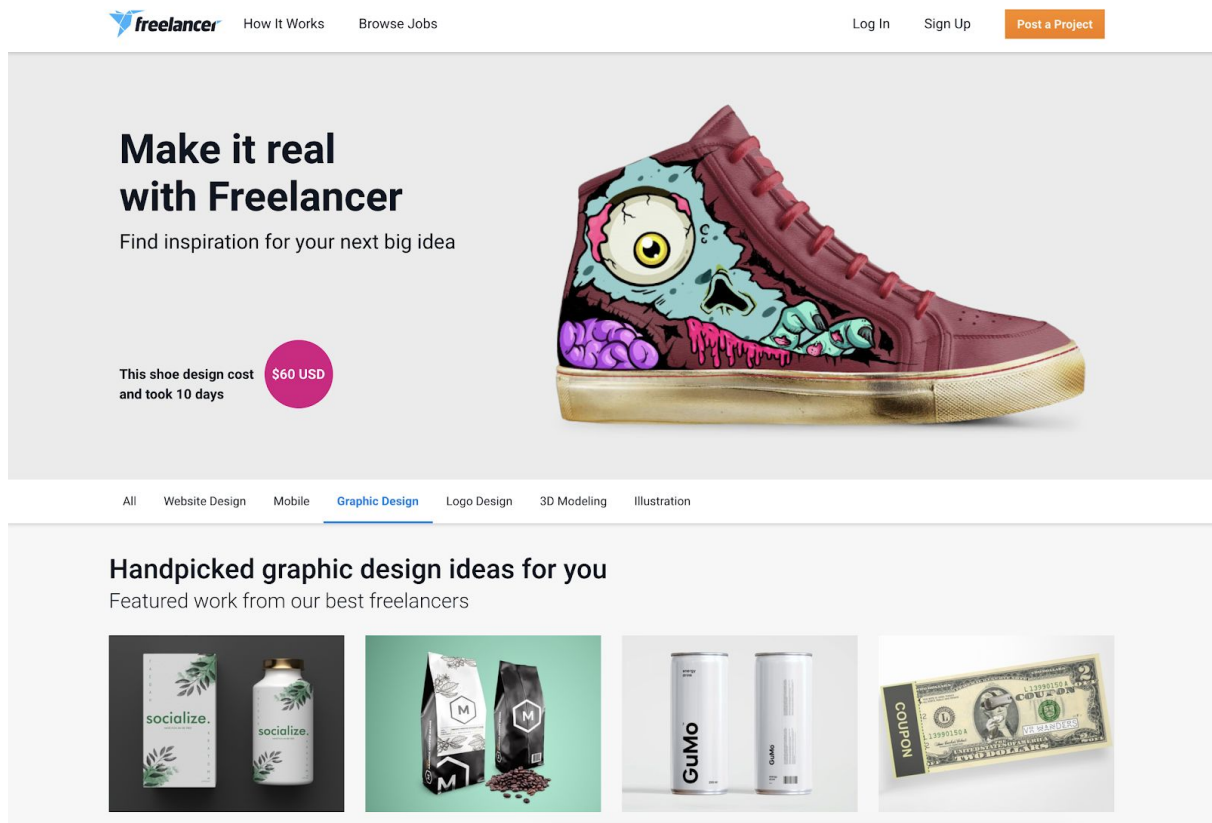
This technology and product work, coupled with a renewed internal focus on mobile as a first-class citizen alongside traditional desktop devices, running off the same codebase, will ensure we are well positioned to deliver value to our customers wherever they are, on whatever device they are using. We also expect that the heavily reduced redundancy and complexity of our webapp stack compared to our previous technology position will continue to deliver significant lifts to our internal productivity.

This work pays off a significant amount of technical debt. We look forward to continuing to show significant growth in both engagement and monetary metrics from mobile devices in subsequent quarters.

## Discover

In September, we launched Freelancer Discover, a central hub for finding inspiration and connecting with talented freelancers who have a track record of delivering outstanding work

on the platform. Since launching these pages, we have seen an increase in both freelancer profile and portfolio engagement.



**Figure 13:** Freelancer Discover

## Field Services

We have continued to develop our field services offering (see Freelancer Global Fleet, below), with the platform seeing an end-to-end upgrade to meet increasing demand for location based projects such as delivery, shipping, home moving, and so forth. With an enhanced version of both posting and managing local jobs, users can get bids faster and get their local jobs done on time with lower cost. These enhancements will assist pilots that are underway with Freelancer enterprise customers in telecommunications and computer hardware.



**Figure 14:** Field services functionality on Freelancer.com

Additionally, our API team has been working alongside the local jobs team to develop a series of location-based standalone example apps. These apps will be used for developer evangelism and marketing, with the goal of increasing adoption of both local jobs and the public facing Freelancer.com API.

### **Freelancer Enterprise**

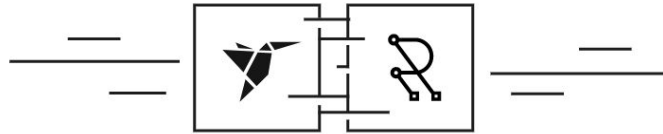
Freelancer Enterprise has made strong progress this quarter, rolling out a record number of pilots. These include a pilot with an American multinational food company, a \$70 billion American technology company, a \$26 billion telecommunications company, one of Australia's largest retailers and two of India's largest companies, one a multinational conglomerate and another in the technology space.

The team has closed off a number of successful pilots from last quarter and is planning for global expansion with key customers. Among them include accelerated roll-outs with a \$17 billion chemical company.

### **Introducing Freelancer Global Fleet (Enterprise Field Services)**

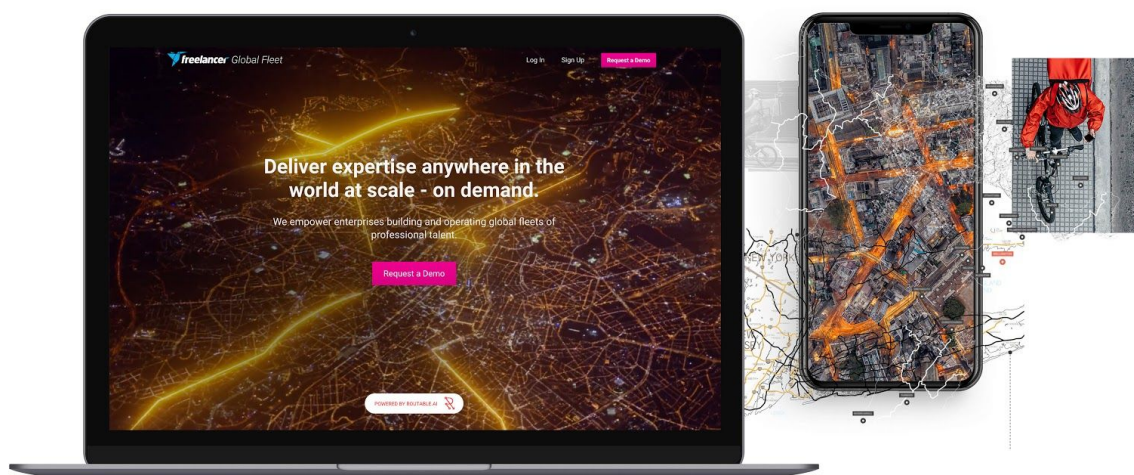
In the quarter we launched Freelancer Global Fleet (<http://freelancer.com/globalfleet>) in partnership with Routable AI.

Freelancer Global Fleet enables enterprises building and operating global fleets of professional field services talent to deliver expertise anywhere in the world on-demand. Aimed at on-demand platforms, fleet management companies, logistics firms, as well as other large enterprises in the infrastructure, energy and technology sectors, Freelancer Global Fleet reduces costs and the burden of setting up complex logistics infrastructure.



The world's largest network of freelancers combines with the world's best on-demand vehicle routing and management platform.

The Freelancer and Routable AI partnership combines the largest network of freelancers with a leading on-demand vehicle routing and management platform to deliver more efficient shared routes in real-time for fleets on-demand; route workforce between delivery, freight, or field services jobs; and minimize downtime and reduce costs. Enterprises can scale up globally on-demand rather than hiring in-house service delivery staff by tapping into 47+ million freelancers with expertise in over 1,800 skills through the Freelancer marketplace workforce.

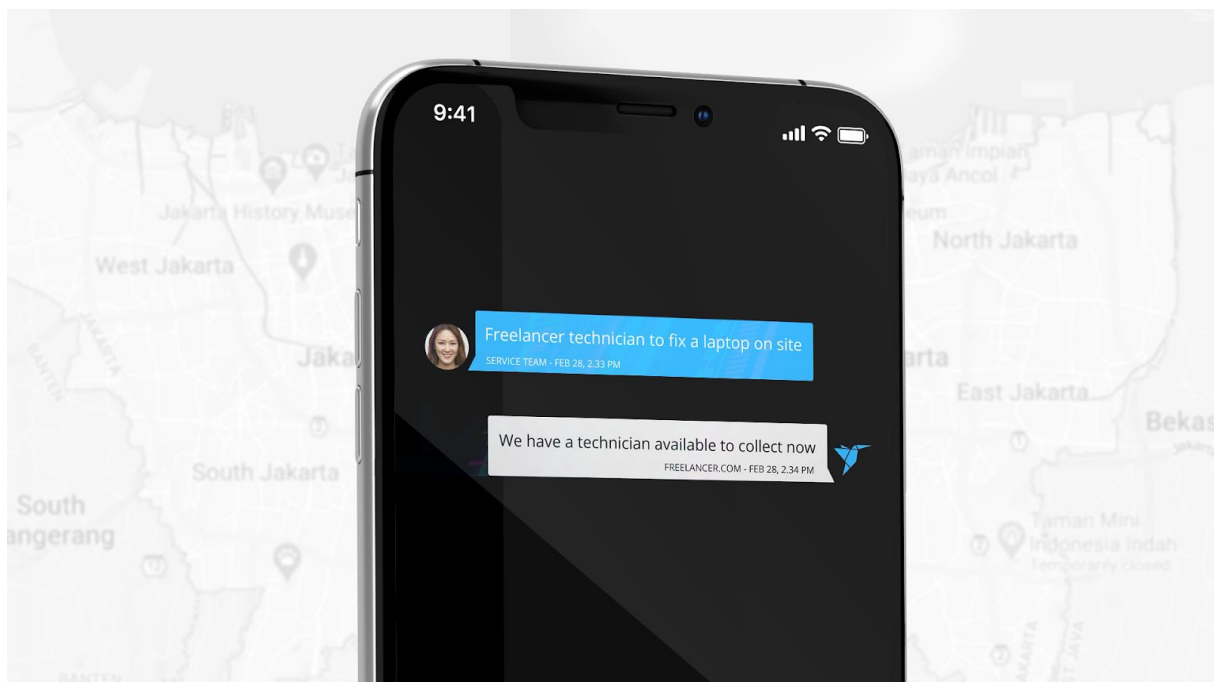


**Figure 15:** Freelancer Global Fleet

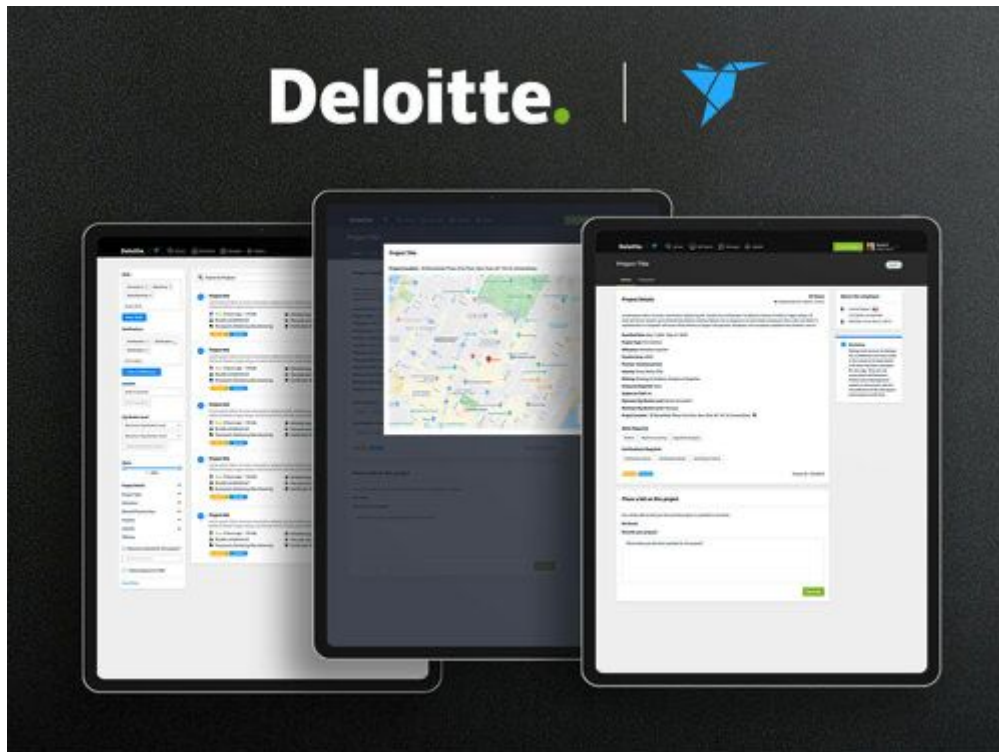
Global Fleet has successfully piloted with a US computer company providing field services for computer and printer repairs in Indonesia. Subsequently the pilot is expanding to multi-country and we are in the process of integration with their ERP system to automate



workflow for field engineers at scale - next launching in India and Australia concurrently then globally to thirteen total markets.

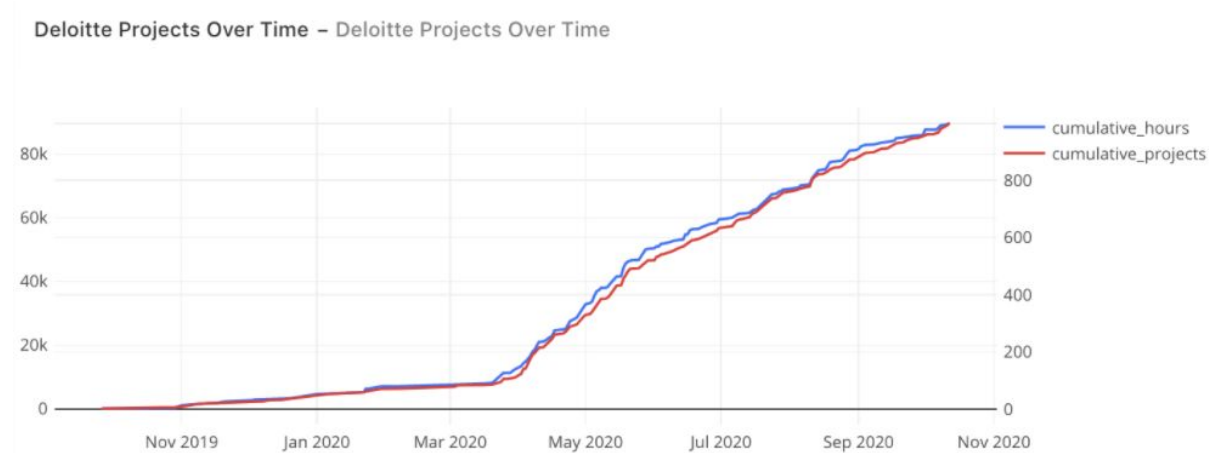


**Figure 16:** Multi-country field services pilot for a global computer company



**Figure 17:** Deloitte MyGigs

The Deloitte engagement continues to scale up at good pace, with their US team now bringing in international markets to onboard on to MyGigs. To date we have successfully enabled over 90,000 hours on Deloitte MyGigs of Deloitte consultants working with each other.



**Figure 18:** Deloitte projects and hours through the platform continue to grow

Notably this quarter won an RFP with a \$100 billion medical equipment and services company from one of our largest competitors. We have also closed additional MSAs with European and Asian universities.

However our landmark deal this quarter was closing a MSA with one of the world's largest technology companies that provide hardware, software and cloud-based services and cognitive computing.

# FACEBOOK

In the quarter, Freelancer Enterprise also partnered with Facebook and Coursera to invest in upskilling and training to solve the global skills gap. Graduates from the [Social Media Marketing Professional Certificate](#) from Facebook will be able to share their information with a group of clients who have committed to sourcing diverse talent which include Johnson & Johnson. As part of this, Facebook will be co-curating a community of Facebook certified professionals on Freelancer.com and providing work for them through the platform.

In June 2020, Freelancer.com jointly won the US\$25 million NASA Open Innovations Series 2 tender. We have started receiving weekly task orders that we are bidding on. Note the \$25 million the pool awardable to the winners as tender fees and is exclusive of payments awarded to freelancers, which is on top of that.

We are building a Customer Advisory Board, joined by the executives from some of our top customers to guide our Enterprise product innovation and roadmap.



## Freightlancer (Freelancer Enterprise for Freight)

The port of the codebase of Freightlancer to the Freelancer enterprise stack continues with a launch date in 2021. Some sneak previews are attached.

**FREIGHTLANCER**

# Tell us what you need shipped.

Complete the details below to post a new load. Make sure the details are as accurate as possible to get the right quotes for your job.

**Choose a name for your load**

226/255 characters left

**Load Information**

You can input a maximum of ten items for each load.

**Item 1**

Quantity

Category

Machinery up to 25T

Description

**Single Item Dimensions**

Length

MM

Width

MM

Height

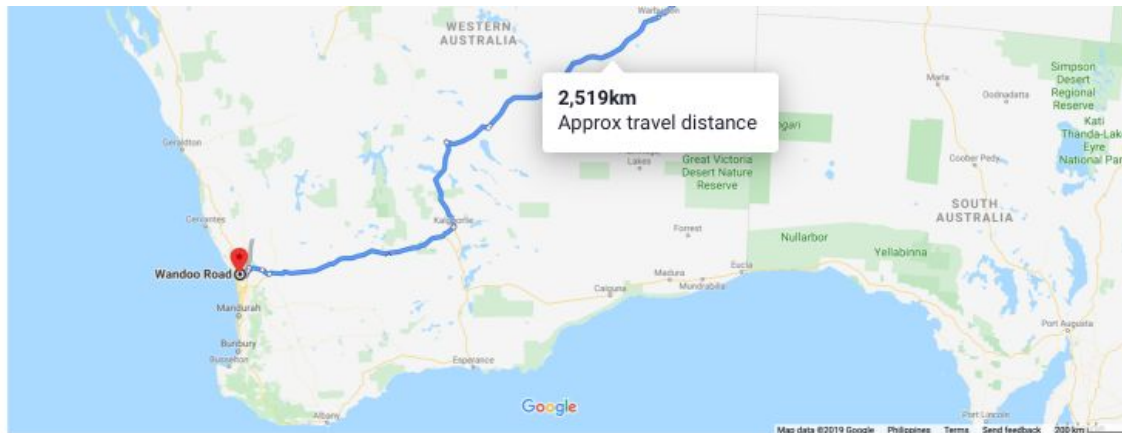
MM

Weight

KG

[How can I identify the load dimensions?](#)

**Figure 19:** Freightlancer Post Loads page



### What kind of shipment do you need?



#### General Load

Your load requires normal shipment speed.

**Recommended**



#### Hot Shot

You require non-stop freight to get your load shipped as fast as possible once it is picked up.

### What is your estimated budget?



#### Let operators quote

Your post will be displayed as negotiable. Choose among quotes provided by transport operators.



#### Set a fixed price

The price you set will be shown. Operators can choose to go with your quote or submit their own price.


### Price

AUD ▼ \$ 1400

Fees: \$42.00

**Figure 20:** Freelancer Post Loads page

### Are these details correct?



**A\$ 1,442.00**  
Incl. Fees  
Excl. GST

🔥
Hot Shot

### Mystery cargo and other items

Ute

Prime Mover

ELF Truck

Some text will appear here if the transport operator filled out the "Need to Tell Us More?" section on the Post Load page. Whatever they wrote should show up here.

📍

7 Todd St, Alice Springs, NT 0870

25 November 2019 17:30

**Pickup Contact**

Mario Mario  
0498765432  
mario.mario@needshipping.com

📍

Wandoo Rd, Muchea, WA

31 December 2019 01:00

**Dropoff Contact**

Luigi Mario  
0412345678  
luigi.mario@gotshipped.com

**Load Information**

1

**2pc Machinery up to 25T**  
40FR OOG ex Darra QLD through to BNE wharf  
8,230mm x 2,500mm x 3,450 mm | 10,544 kg

2

**36pc General Part Load**  
Alloy platform  
3,010mm x 800mm x 2,950mm | 250kg

Yes, Post My Load

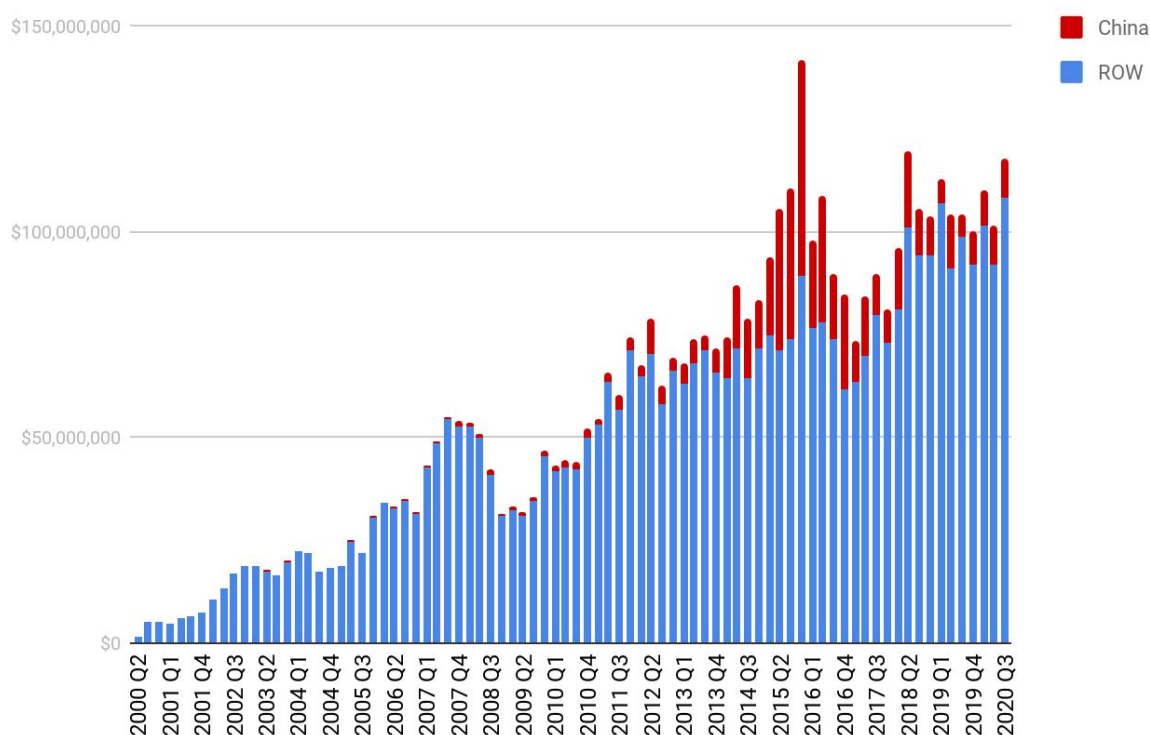
**Figure 21:** Freelancer Post Loads page

## Escrow.com



Escrow.com achieved Gross Payment Volume of \$164.9 million (up 8.4% on pcp, unaudited) in 3Q20. In US dollars it was \$117.9 million (up 12.9% on pcp). Ex-China, Escrow.com GPV was an all-time record of US\$108.4 million.

### Escrow.com quarterly GPV (US\$)



**Figure 22:** Escrow Gross Payment Volume (USD) by Quarter (China and Rest of World)



## eBay Motors

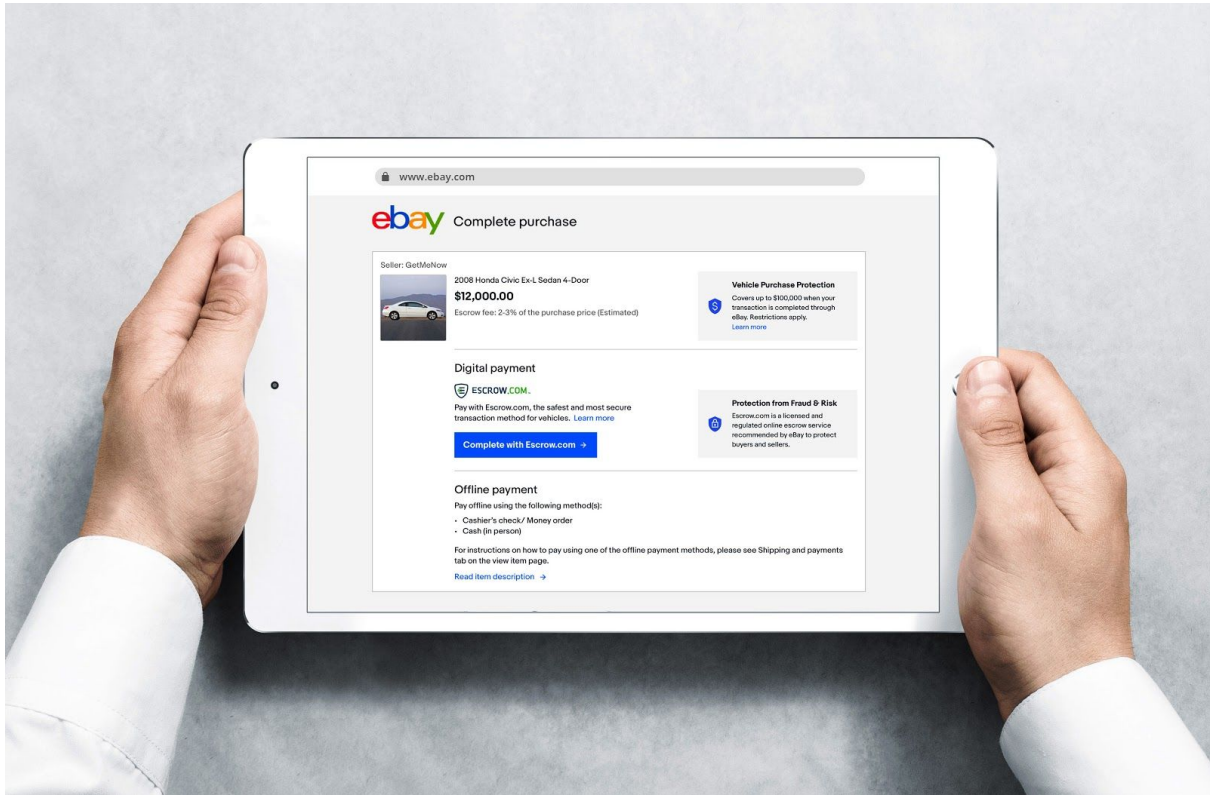


**Figure 23:** The first transaction through Escrow.com on eBay Motors was a 1931 Ford Model A where Escrow.com facilitated a secure transaction between Farmington, NJ and Poway, CA.

In 2Q20 we announced that Escrow.com was selected by eBay Motors, one of the world's largest marketplaces for all things automotive, to provide buyers and sellers added security when trading used vehicles and vehicle parts online.

In July 2020 the Escrow.com integrated into both the eBay Motors USA website and mobile app, and is the first and only digital payment option in the eBay Motors app. Escrow.com is an optional payment method for private party listings.





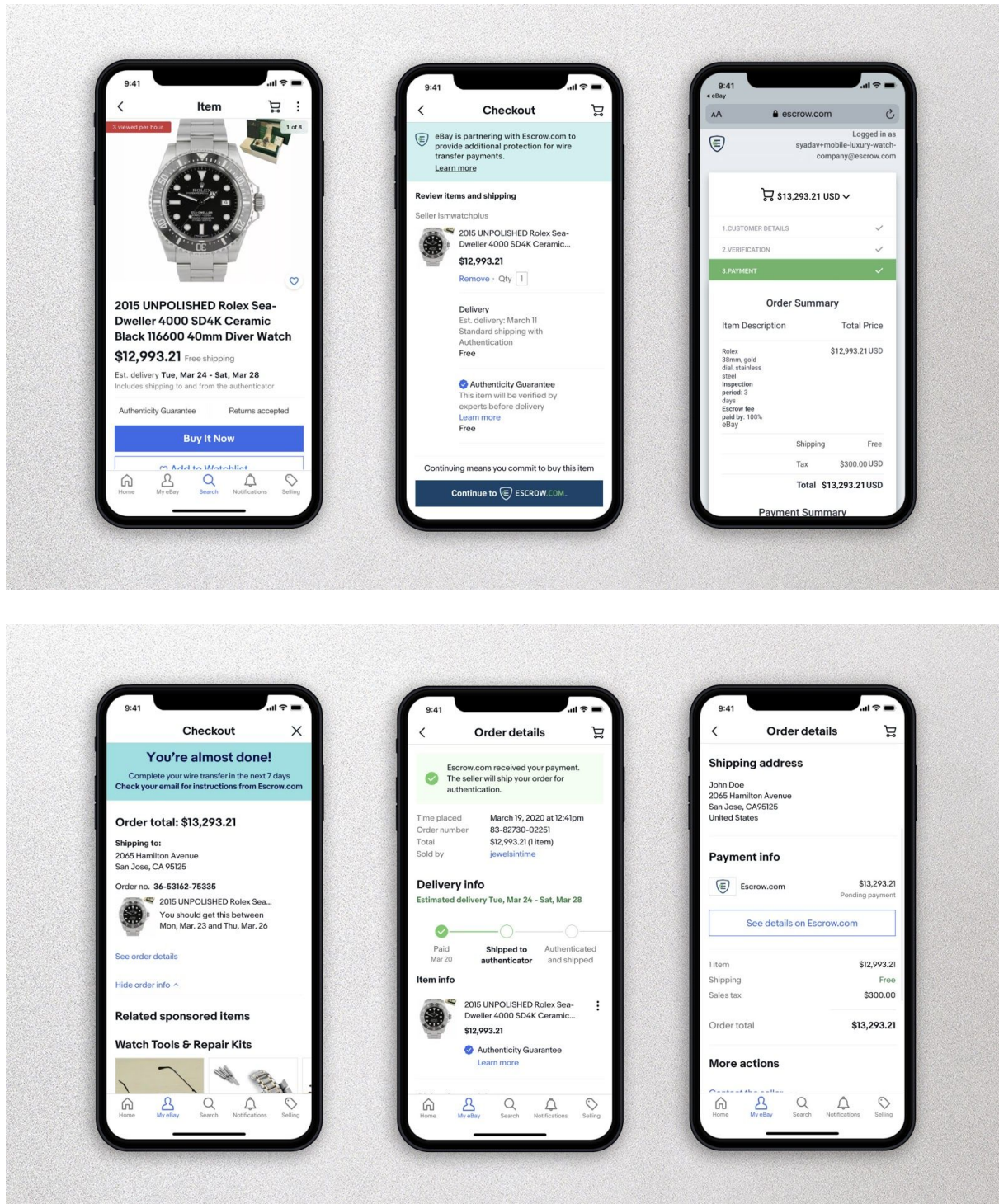
**Figure 24:** eBay Motors product listing page using Escrow.com

## eBay Watches



**Figure 25:** Escrow.com launches into production with eBay Watches in October

eBay Watches has selected Escrow.com to secure their new Authenticity Guarantee service.



**Figure 26:** eBay watches new product flow incorporating the Authenticity Guarantee and Escrow.com

eBay describes the offering as follows:

“The new Authenticity Guarantee service introduces industry experts, whose services and capabilities have been thoroughly vetted by eBay. From now on, when a watch, \$2,000 or over, is purchased on eBay, it is sent directly from the seller to eBay’s authentication facility.



When the package arrives, the watch is given a unique barcode and all the information is entered into a tracking system. Then an expert authenticator performs a visual inspection of the watch before removing the bracelet and capturing the serial number. Next, they perform a multi-point inspection, examining the case, dial, lume, bezel, hands, crown, end links, and strap, verifying that each component inspected is authentic and matches the eBay listing.

After a watch is authenticated. It comes with a certificate of authenticity and a beautiful box to store it in. If your watch comes with the original packaging and papers, you will receive those instead.

All this time, your funds are held securely by Escrow.com until the authenticated watch arrives in your hands to personally inspect. Once you are happy, you click a button, and Escrow.com releases the funds to the seller."

The use of Escrow.com will be mandatory on all watch transactions US\$10,000 or higher. It will be optional on all transactions \$2,000 or higher. eBay is covering all the costs associated with the Authenticity Guarantee service.

In 2019 eBay sold over 2 million watches- a rate of one watch sold every five seconds.

Escrow.com went live into production with the eBay watches on 20th October 2020 (see separate ASX release).

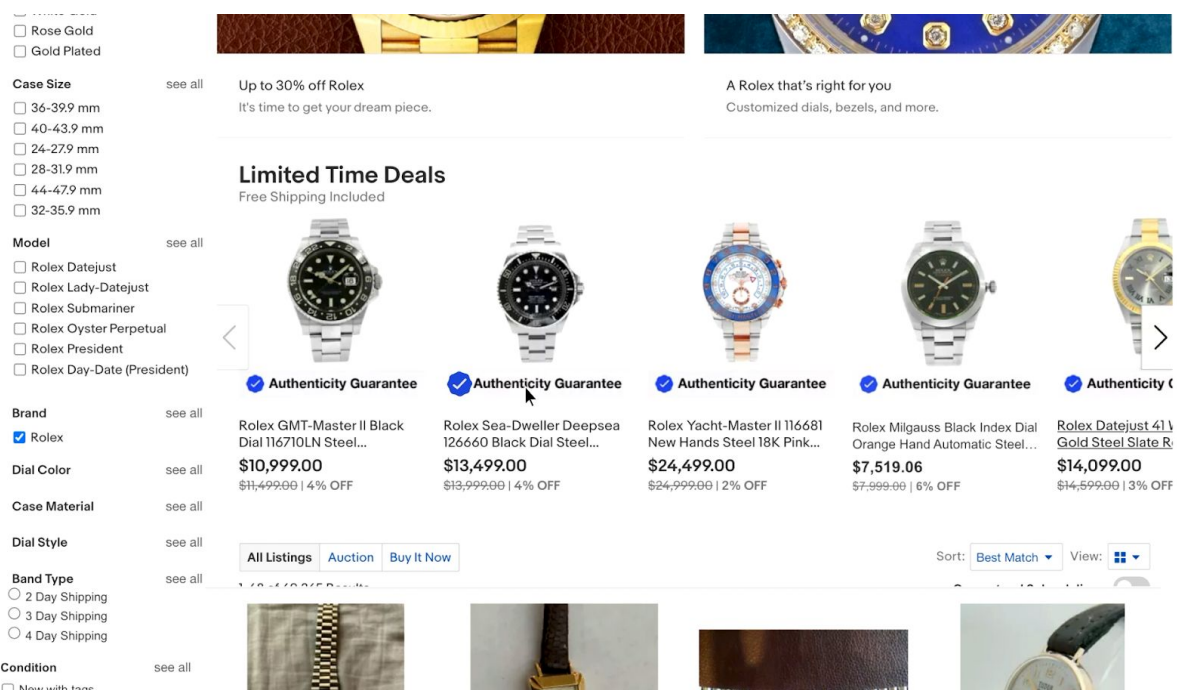


Figure 27: Authenticity Guarantee on the eBay Watches website

## IPv4

The first-ever IP address transfer from Latin American to another region was completed in the quarter through an Escrow.com transaction brokered by IPTrading.com and RiotClouds.

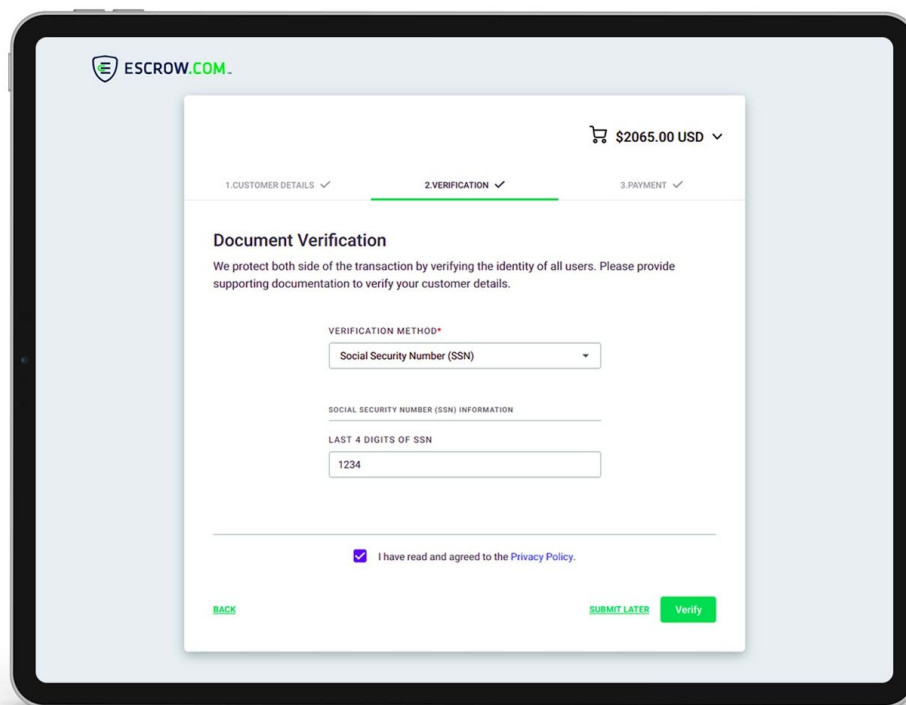
LACNIC (Latin America and Caribbean Network Information Center Registry) has exhausted all available IPv4 address blocks that they held and will now need to trade globally to support the region with IP addresses.

IP address pricing and transaction volume in Latin America are expected to rise as the last IPv4 block is assigned and the regional market opens up to a high global demand.

### Electronic KYC (eKYC)

Just after the end of quarter (October 8th AEDT) we released electronic KYC to Buyers and Sellers using Escrow.com.

Users completing registration on Escrow.com can now have their identity checked against government databases in real-time for lower friction in transaction processing.



**Figure 28:** Buyer view of the verification step through the Escrow Pay API gateway

### Licensing

We are licensed or otherwise approved to operate in 48 states in the United States. The application to the New York Department of Financial Services for a Money Transmitter License is currently under consideration by the Department. We have responded to several rounds of requests for information from the Department and are now addressing the remaining matters. Work is underway for the submission of an Escrow Agency license application in the State of Nevada.

## Management

In October we hired Chris Weir to be Commercial Manager of Escrow.com's United Kingdom and European operations. Chris was formerly Managing Director of Callisto Concepts Ltd., and prior to that European Data Sales Manager for Tullett Prebon Information.

## Conclusion

The group had positive net operating cash flow of \$1.6 million for the quarter (\$7.8m year to date) and ended 3Q20 with cash and cash equivalents of \$37.1 million, up 9.9% on pcg.

## For more information please contact:

Neil Katz  
Chief Financial Officer  
Freelancer Limited  
[investor@freelancer.com](mailto:investor@freelancer.com)

## Forward-looking statements

This document contains certain "forward-looking statements". The words "anticipate", "believe", "expect", "project", "forecast", "estimate", "outlook", "upside", "likely", "intend", "should", "could", "may", "target", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance, including Freelancer's FY20 outlook, are also forward-looking statements, as are statements regarding Freelancer's plans and strategies and the development of the market. 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 Freelancer, which may cause actual results to differ materially from those expressed or implied in such statements. Freelancer cannot give any assurance or guarantee that the assumptions upon which management based its forward-looking statements will prove to be correct or exhaustive beyond the date of its making, or that Freelancer's business and operations will not be affected by other factors not currently foreseeable by management or beyond its control. Such forward-looking statements only speak as at the date of this announcement and Freelancer assumes no obligation to update such information. The release, publication or distribution of this document in jurisdictions outside Australia may be restricted by law. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

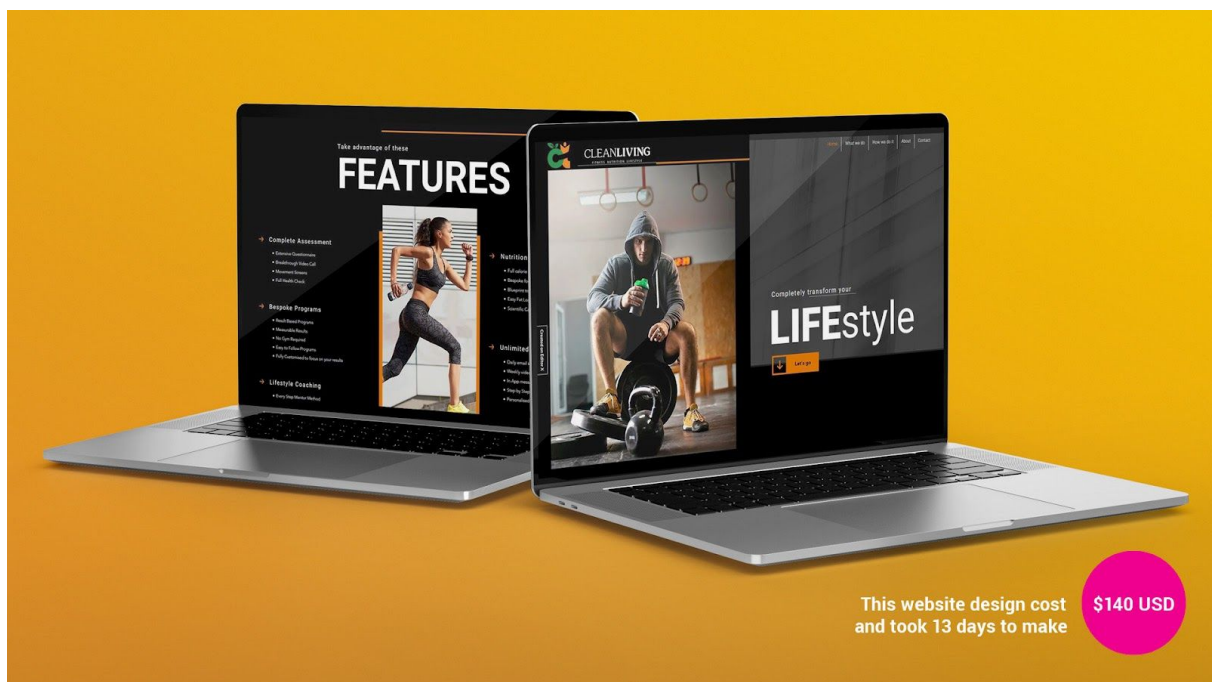
## About Freelancer

Twelve-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 48 million registered users have posted over 17 million projects and contests to date in over 1,800 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 with over US\$4.5 billion in transactions secured. Freelancer also owns Freightlancer, a global enterprise freight marketplace. Freelancer Limited is listed on the Australian Securities Exchange under the ticker ASX:FLN.









End

## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

**Name of entity**

Freelancer Limited

**ABN**

66 141 959 042

**Quarter ended ("current quarter")**

30 September 2020

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	14,968	44,040
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs	(2,025)	(6,134)
(c) advertising and marketing	(3,080)	(8,487)
(d) leased assets		
(e) staff costs	(5,190)	(16,326)
(f) administration and corporate costs	(3,961)	(9,757)
1.3 Dividends received (see note 3)		
1.4 Interest received	31	39
1.5 Interest and other costs of finance paid	(111)	(304)
1.6 Income taxes paid	(40)	(102)
1.7 Government grants and tax incentives		
1.8 Other (see note 6)	982	4,848
<b>1.9 Net cash from / (used in) operating activities</b>	<b>1,574</b>	<b>7,817</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities		
(b) businesses		
(c) property, plant and equipment		
(d) investments		
(e) intellectual property		
(f) other non-current assets		



Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment	(48)	(168)
	(d) investments		
	(e) intellectual property	(28)	(28)
	(f) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(76)</b>	<b>(196)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
3.5	Proceeds from borrowings	-	176
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other- lease liabilities	(425)	(1,636)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(425)</b>	<b>(1,460)</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	37,055	32,014
4.2	Net cash from / (used in) operating activities (item 1.9 above)	1,574	7,817
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(76)	(196)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(425)	(1,460)
4.5	Effect of movement in exchange rates on cash held	(997)	(1,044)
4.6	<b>Cash and cash equivalents at end of period</b>	<b>37,131</b>	<b>37,131</b>

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	33,701	33,641
5.2	Call deposits	3,430	3,414
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>37,131</b>	<b>37,055</b>

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	159
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

<b>7.</b>	<b>Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities		
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	<b>Total financing facilities</b>		
7.5	<b>Unused financing facilities available at quarter end</b>		
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

<b>8.</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	1,574
8.2	Cash and cash equivalents at quarter end (item 4.6)	37,131
8.3	Unused finance facilities available at quarter end (item 7.5)	
8.4	Total available funding (item 8.2 + item 8.3)	37,131
8.5	<b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	N/A
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>		
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer:	
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer:	
8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer:	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>		

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 21 October 2020

Authorised by: The Board of Freelancer Limited  
(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.
6. Other inflows disclosed in 1.8 of Cash flows from operating activities relates substantially to net movements in user obligations and payment gateway receivables.