

Market Announcement | 30 July 2024

1H24 Business Update

Freelancer Limited delivers GMV in 1H24 of \$449.8 million, down 18.2% on pcp.

- Freelancer GMV \$64.7m, down 0.8% on pcp
- Escrow.com GMV \$385.1m, down 20.5% on pcp
 - Long term uptrend in GPV remains intact - laps a spike in 1H23

Group net revenues \$25.0m, down 8.0% on pcp:

- Freelancer net revenues \$20.4m, down 9.0% on pcp
 - Lower enterprise engineering services contributed 3% of pcp decline
- Escrow.com net revenues \$4.6m, down 3.2% on pcp
 - 2Q24 \$2.4m, up 10.5% on pcp

The Group incurred a Net Loss After Tax of **-\$ (1.0) million (1H23: **-\$ (0.3) million**)**, operating cash flow was **2.2m (up 57.1% on pcp)** and the group ended with cash & equivalents of **\$21.2 million, unchanged on FY23**.

SYDNEY, 30 July 2024 - Freelancer Limited (ASX: FLN) (OTCQX: FLNCF), the world's largest freelancing and crowdsourcing marketplace by total number of users and jobs posted, today released its business and activities update for 1H24.

All figures in \$Am	Second quarter				Year to date			
	2Q24	2Q23	% pcp	% in USD	1HY24	1H23	% pcp	% in USD
GMV*								
- Freelancer	33.2	33.1	0.5%	(0.8)%	64.7	65.2	(0.8)%	(3.3)%
- Escrow.com	189.4	218.5	(13.3)%	(14.4)%	385.1	484.6	(20.5)%	(22.5)%
Total	222.6	251.6	(11.5)%	(12.6)%	449.8	549.8	(18.2)%	(20.3)%
Net revenue								
- Freelancer	10.4	11.5	(9.4)%	(10.6)%	20.4	22.4	(9.0)%	(11.3)%
- Escrow.com	2.4	2.2	10.5%	9.7%	4.6	4.8	(3.2)%	(5.6)%
Total	12.9	13.7	(6.2)%	(7.4)%	25.0	27.1	(8.0)%	(10.3)%
Operating cash flow	1.1	1.4	(17.9)%	n.a.	2.2	1.4	57.1%	n.a.
Cash and cash equivalents	21.2	23.1	(8.4)%	n.a.	21.2	23.1	(8.4)%	n.a.

* Represents the underlying transaction value between third parties which is the basis for Freelancer's revenue, i.e. the value of services performed (Freelancer); goods shipped (Loadshift) or goods / services exchanged (Escrow).

The Freelancer Group primarily consists of Freelancer- the largest cloud workforce in the world, Escrow.com- the world's largest online escrow company, which facilitates and secures large value payments, and Loadshift- Australia's largest online freight marketplace. All are market leading, broad, horizontal service offerings that consumers through to large enterprises require as part of their everyday business.

Freelancer



Summary

In 1H24, Freelancer GMV was \$64.7m, down 0.8% (flat) on pcp. Freelancer revenue was \$20.4m, down 9.0% on pcp.

Marketplace

In 2Q24 we added 1.74 million new users and 203k new projects to the marketplace, for a total of 3.21 million new users and 409k projects over 1H24. The average project size in 2Q24 was US\$268, down 2.5% on pcp in the quarter¹, and up 5.9% on 1Q24. This average project size includes all enterprise customers and the Loadshift division. Large number of small value projects from our Freelancer Global Fleet are counterbalanced by the large values of Loadshift loads.

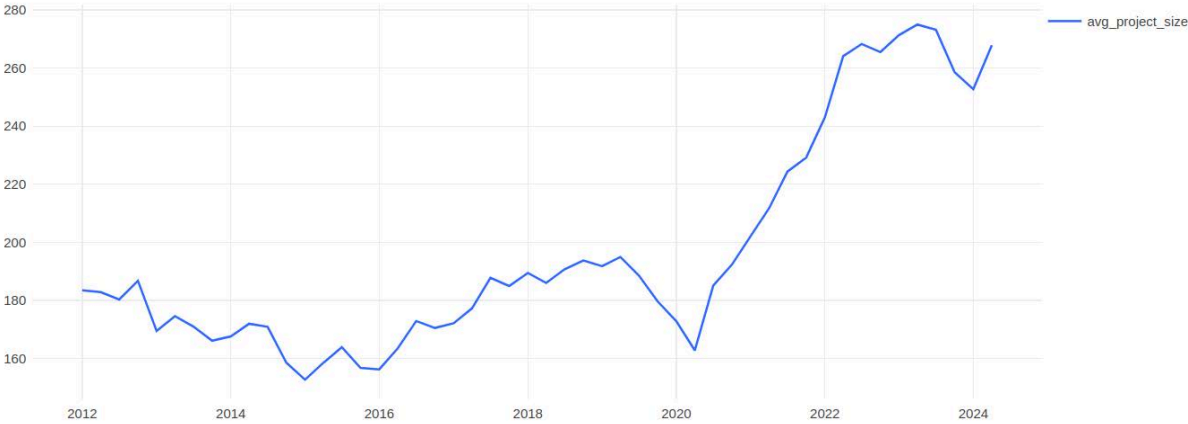


Figure 1: Average project size (US\$) incl. Enterprise & Loadshift

Marketplace liquidity improved in 2Q24, with the average bids per project at 45 (up 4.7 % on pcp), and average entries per contest is now at 340 (up 25.0% on pcp).

Freelancer manages projects ranging from \$10 to \$10 million, consistently delivering exceptional results across this vast spectrum. At the lower end, \$10 contests routinely attract hundreds of entries, showcasing the platform's broad appeal. At the higher end, the

¹Metric has been updated to be the total GMV in US Dollars on projects transacted over a given quarter, divided by the count of projects which have GMV within the given quarter. The previous definition of all payments to date on a project completed on a certain date lagged (payments continued to accrue on projects later).

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company provides top-tier talent to prestigious clients, including US government organisations, which is detailed further below.

Our 2024 strategy centres on dramatically increasing client retention and engagement. We aim to convert initial positive experiences into enduring business partnerships through the development of sticky, indispensable product offerings and the implementation of effective cross-selling.

This approach will drive our evolution from a transactional marketplace to an essential, widely-adopted business service. By fostering deeper, more valuable relationships, we'll position our platform as a critical component of our clients' operations, rather than just an occasional resource. This transformation will ensure that clients view our service as integral to their ongoing success, solidifying our role as a key partner in their business growth.

Marketplace Product

In 2024, our product focus is:

- 1. Turn Freelancer from a painkiller into a narcotic**
Ensuring our clients come back time and time again, making regular repeat purchases from our huge base of freelance talent.
- 2. Reinvent the world of work in the AI revolution**
The economic landscape made a major paradigm shift in 2023, with generative AI products increasingly going mainstream. In 2024, we will focus on ensuring our freelancers stay at the forefront of this revolution, substantially enhancing their productivity and quality of output.
- 3. Rethink client acquisition in a world without Google**
With the introduction of generative AI, existing organic acquisition channels will change substantially in nature, and new channels will rise. Our focus in 2024 will be on ensuring we take full advantage of this changing landscape.
- 4. World leading UX and design that wins awards**
Our UI/UX improved significantly in FY23, and our focus in FY24 is to move towards a position of leadership in this space.

Turn Freelancer from a painkiller into a narcotic

In 1H24, Freelancer has maintained an unwavering focus on product quality and user experience. The latter has paid off with an award which we detail later in this report. Our strategy of implementing incremental yet statistically significant improvements across various aspects of our platform, including payments, user interface, and AI-powered conversion, has begun to yield measurable results.

These enhancements have contributed to a notable upturn in our core business metrics. Gross Marketplace Volume (GMV), excluding Marketplace and Loadshift, has shown

encouraging signs of recovery in the second quarter, beginning to surpass 2023 figures on a year-on-year basis. We anticipate this positive trend to continue and strengthen in the second half of the year, with expectations of consistently outperforming both 2023 and 2022 GMV figures.

Particularly noteworthy is the performance among new clients within their first 30 days on the platform. Since early June, this cohort has demonstrated robust GMV growth, consistently outpacing 2023 figures and occasionally surpassing 2022 levels.

This trend is further evidenced by the volume of milestones created by clients, which has consistently exceeded 2023 dollar volumes since late June. Fixed-price milestones are on track to surpass 2022 volumes starting July.



Figure 2: Milestones created (dollars)

We have also observed promising improvements in short-term client retention rates, specifically at the 7-day, 14-day, and 21-day marks. While we acknowledge the need for further enhancements in longer-term retention, we are confident that these early-stage improvements will significantly impact our financial metrics in the core marketplace.

These positive indicators reinforce our strategy of continuous product refinement and user-centric development. By transforming Freelancer from a mere solution to an indispensable tool for businesses, we are laying the groundwork for sustained growth and increased market share in the evolving landscape of online freelance services.

Project Updates

In 1Q24 we launched a new feature, named *Project Updates*, designed to enhance communication between freelancers and clients, in response to observations that this is a major cause of project challenges and abandonment. In 2Q24 we took the feature out of Beta and launched it to all users.

The major challenge now is lifting freelancer adoption through stronger marketing & incentives, alongside adding habit-forming features. We are extremely excited by the

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potential for this feature to solve a long-standing problem in the marketplace and improve client retention.

Our focus moving into 2H24 is to bring all of our collaborative tooling together into a coherent package with our *Workspaces* product and drive adoption, especially in the higher-value segment of the marketplace.

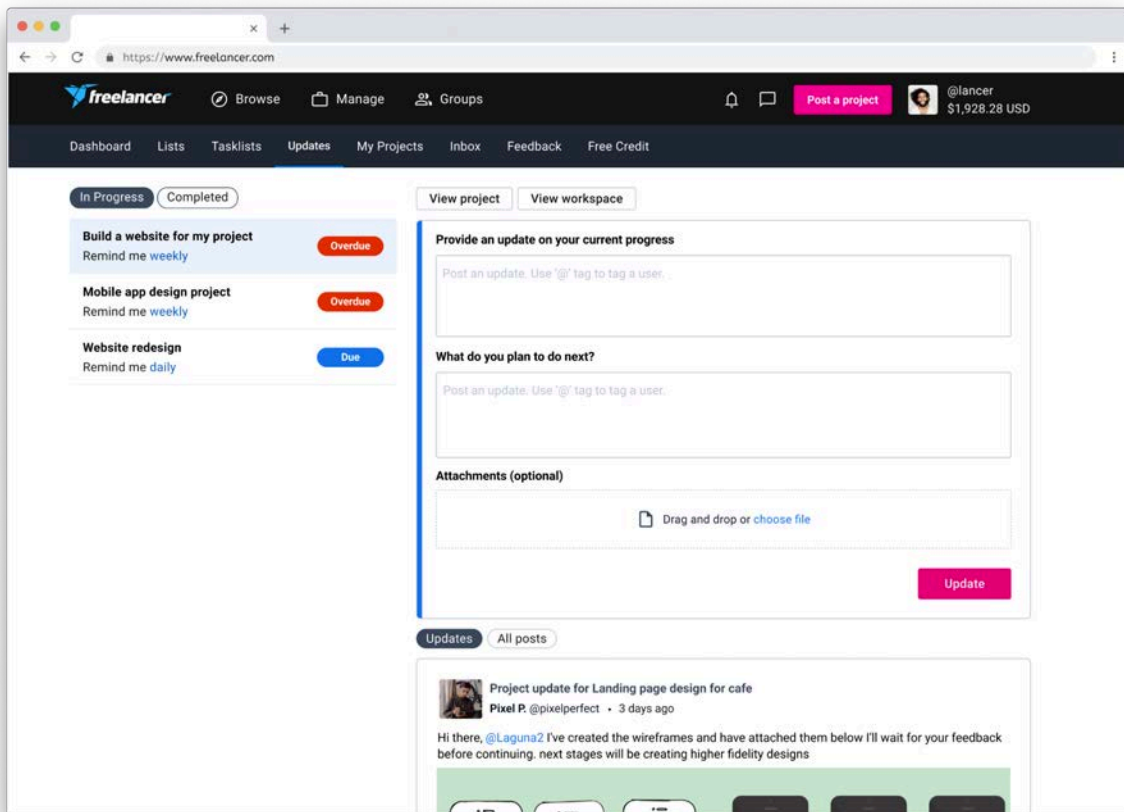


Figure 3: Project Updates

Reinvent the world of work in the AI revolution

In 2Q24 Freelancer continued its innovation in the AI space, in particular focusing on launching AI-powered products into the marketplace, and wider partnerships with AI companies to deliver essential AI-integration services to their customers.

Our data science team has leveraged its new real-time data processing capabilities in combination with AI to aggressively fight instances of off-platform payment, identify spam, and identify bad-actor accounts within seconds of signup.

Our product team worked hard to produce our first piece of AI-driven collaborative tooling, which will be launched in 3Q24. Focused around helping clients and freelancers rapidly iterate, prototype and collaborate, we are extremely excited to see what our freelancers can build with this new AI-first tool.

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The first quarter also saw Freelancer deploy hundreds of freelancers from around the world in a pilot project to train the next generation of artificial intelligence models for one of the world’s largest tech companies. This pilot project expanded substantially in 2Q24 and will be discussed further in the section on Enterprise engagements below.

Looking forward to 2H24, Freelancer will continue to focus on empowering our users with AI, dramatically enhancing their productivity. Alongside this, we are also enthusiastic adopters of AI technologies as they apply internally, helping us optimise and automate many functions and processes within the business including customer service, trust & safety and sales.

Improve acquisition through organic channels

The first search engine revolution has begun with the rollout of Google’s Search Generative Experience, mid-way through 2Q24.

This major update to Google’s search algorithm has upended search results for many businesses already, and the initial impact of this on our SEO has been positive, with the latest month of data from this channel showing new user revenue (30 days) up by ~40% on pcp.

We expect that throughout this year and next search engines will continue to rapidly evolve, as AI-first competitors emerge. Our SEO strategy centers around this observation, and is so far performing very well.

On the AI front, we continue to view the AI revolution as a substantial acquisition opportunity as businesses increasingly see their competition adopt AI to downscale costs, drive efficiency, and build out new areas of opportunity. To this end, we have released the first version of our AI business transformation landing page, with the goal of converting this desire for AI adoption into projects and GMV.

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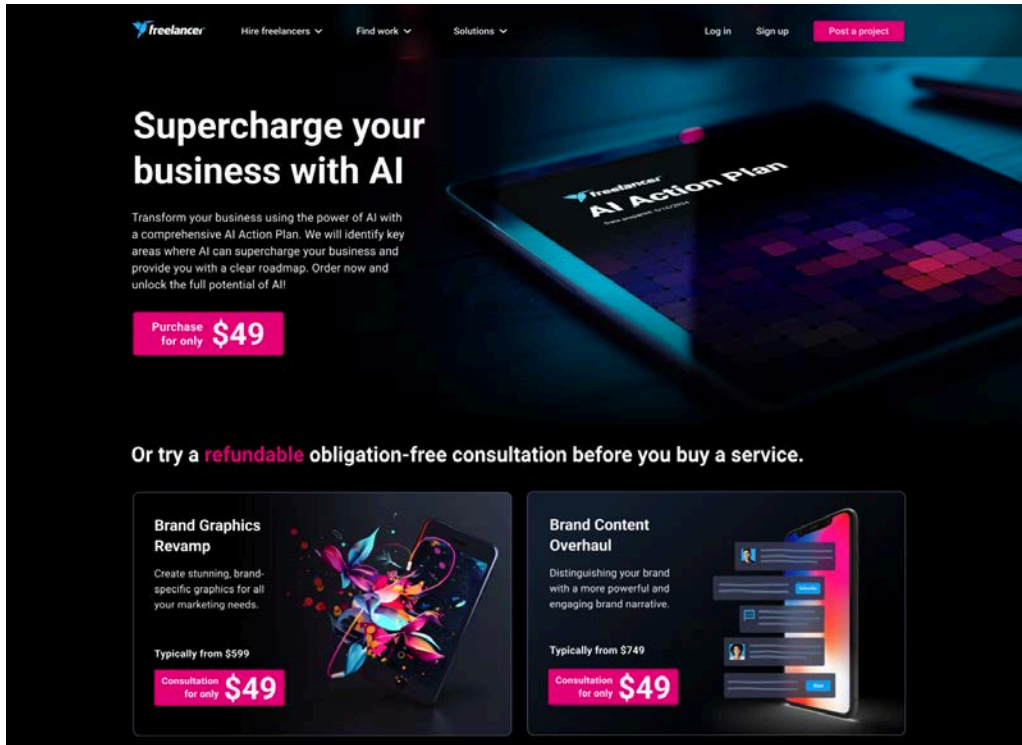


Figure 4: AI business transformation page - <https://www.freelancer.com/ai-for-business>

New Users

In 2Q24 we improved our signup experience. This release dramatically lifted the number of email-verified sign ups each day by about 40% year on year since the beginning of June, a direct result of the smoother user experience. We expect this will have a number of positive impacts on the down funnel metrics in time, especially on the freelancer (supply) side of the marketplace.

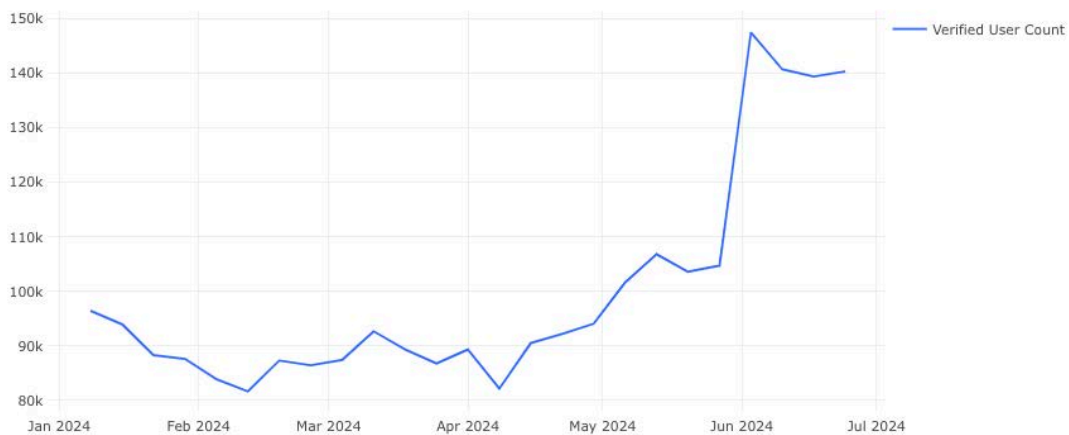


Figure 5: New verified users over time

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All of these efforts, alongside continued improvements in our SEM program and general funnel optimisation for new clients, have led to overall new client revenue from the core marketplace increasing by 5% on pcp.

Crafting a world leading UX and design that wins awards

In 2Q24, we successfully launched the highly anticipated 'dark mode' feature, a significant milestone in enhancing our user experience. This feature, requested extensively by our users, offers a sleek, modern design optimised for low-light environments, reducing eye strain and improving usability. Since its release, we have received overwhelmingly positive feedback, with users praising the new aesthetic and functionality. The introduction of dark mode marks a critical step in our ongoing commitment to providing a cutting-edge, user-centric interface that not only meets but exceeds user expectations.

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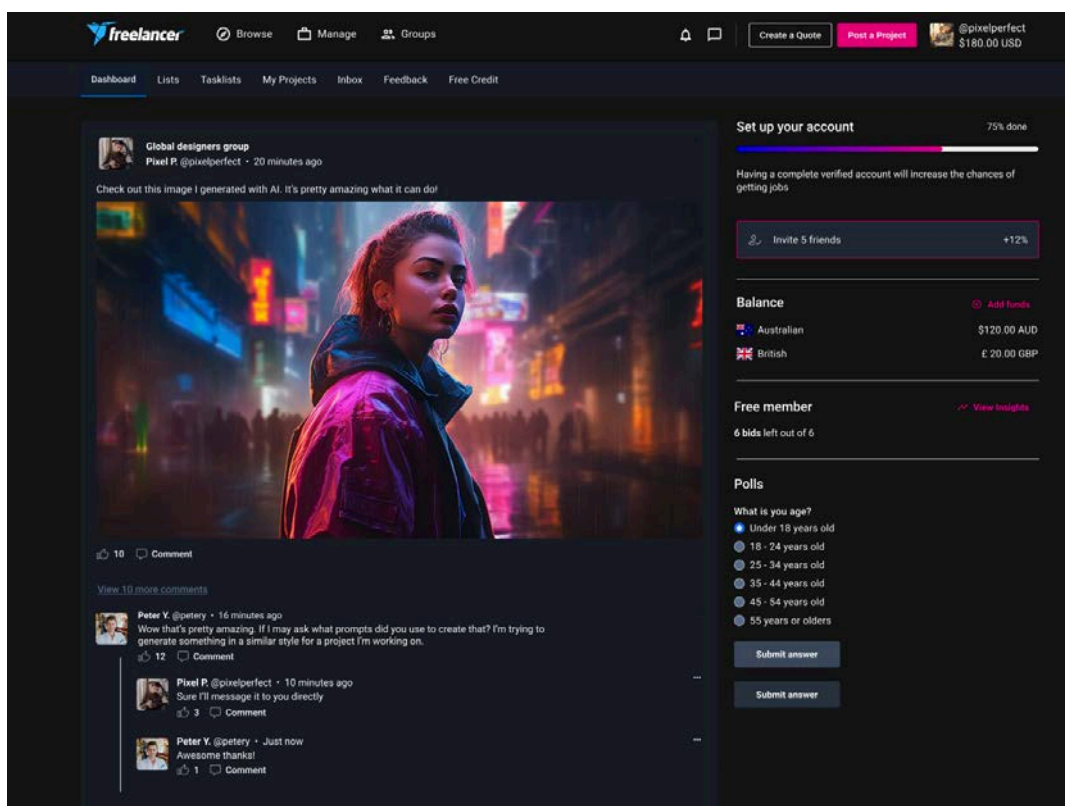


Figure 6: Dark Mode

Furthermore, in 2Q24 we also overhauled the design of our freelancer Profile Pages. The result is a more modern, mobile-first design that allows our freelancers to showcase themselves and their work a lot more effectively. This was directly reflected in the AB test results showing a 5% lift in clients creating milestones, a key step in the client funnel. Following on from this, in 2H24 we intend on working further to enhance user portfolios, continuing to enhance their ability to show off the quality of their work.

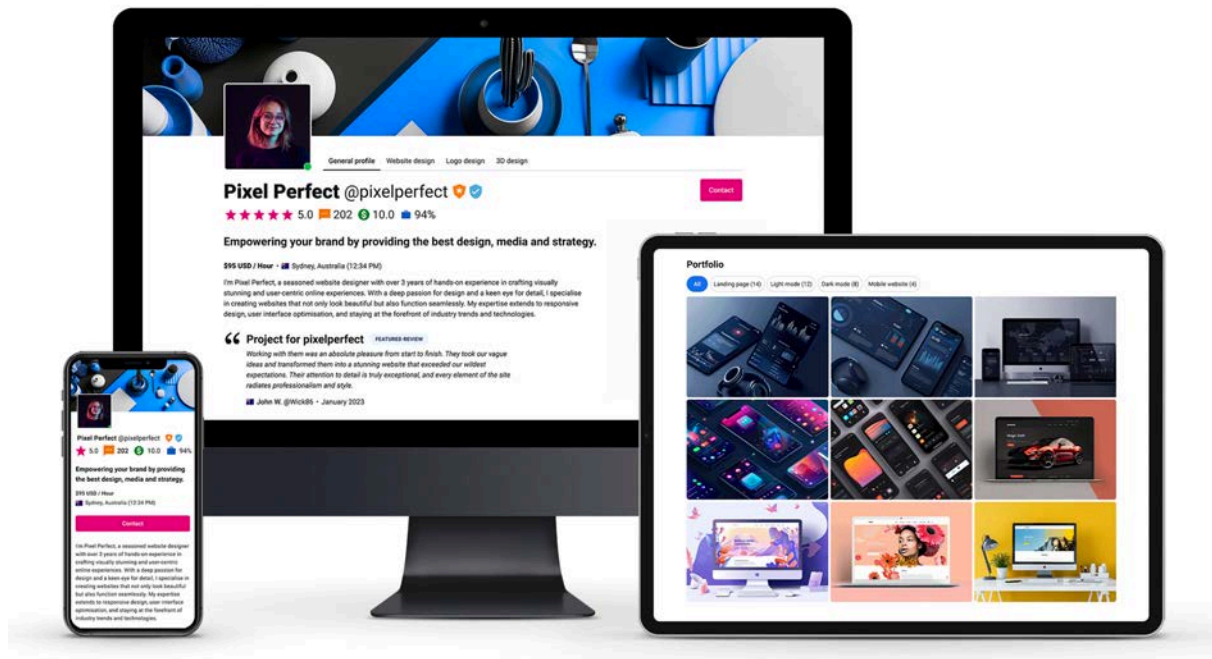


Figure 7: New Profiles

Other Product Improvements

In addition to the areas of focus above, we also continued to polish and enhance our existing products. Our Quotations product now supports all of our supported currencies, and our Subscriptions product now allows for weekly and annual subscriptions. Since launch, nearly \$20m of quotations have been funded, and we look forward to this increasing further as we continue to market quotations and subscriptions to our freelancers.

Customer Satisfaction

Freelancer is the highest ranked of all major freelancing platforms globally for customer satisfaction, with a rank of 4.5 “Excellent” (out of 14,237 reviews) on Trustpilot, and a score of 4.7 (out of 17,508) reviews on SiteJabber.

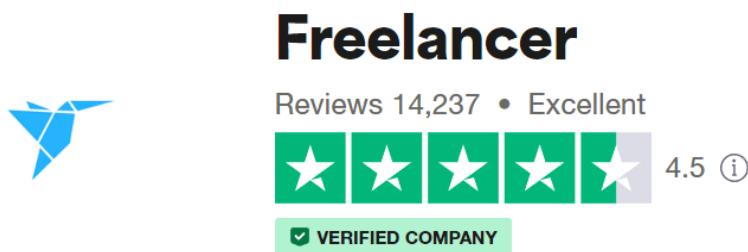


Figure 8: Freelancer.com Trustpilot Rating

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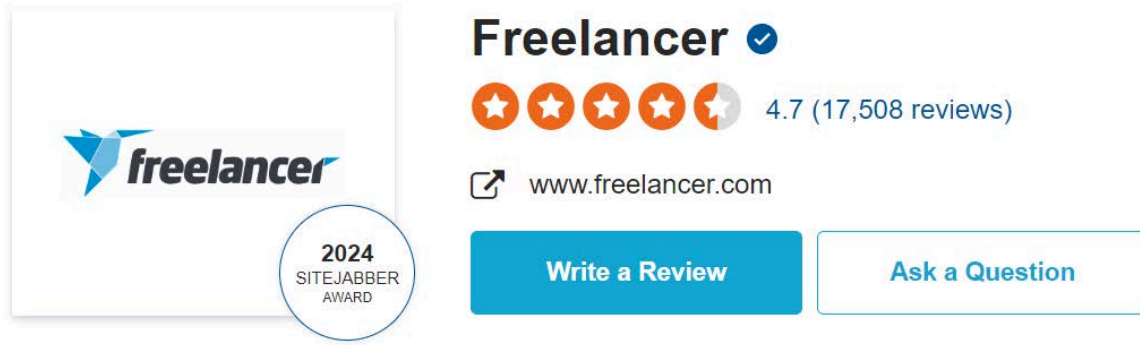


Figure 9: Freelancer.com Sitejabber Rating

Freelancer was a winner in the [2024 SiteJabber awards](#), which celebrates the top customer-focused businesses based on consumer reviews, customer service and popularity.



Figure 10: 2024 Sitejabber award for Freelancer

Artificial Intelligence Survey

We conducted a global survey of over 4,240 users between June and July to investigate attitudes towards AI and how freelancers are using generative AI tools in their work. Three quarters of participants (73%) reveal they're using AI in their work. Most workers report automating between 1-10% (19%), 50-74% (19%) and 20-49% (16%) of their workload with AI, with ChatGPT being the most popular tool used (31%) . While almost half (46%) of respondents are very concerned AI will take their job, it's having minimal impact on earnings with a large portion (71%) reporting either earning the same or earning more since the introduction of AI tools.

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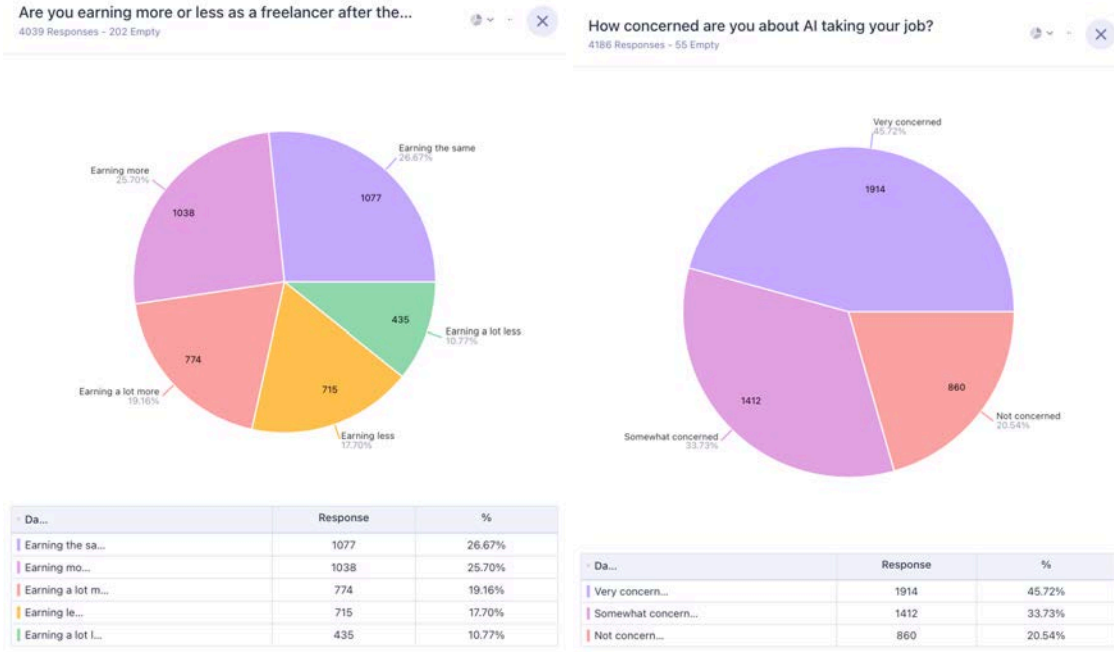


Figure 11: AI Survey Results



Enterprise

The Freelancer Enterprise division worked on a number of significant initiatives and new partner engagements in 1H24. We witnessed a noteworthy increase in new account activity and successfully activated several top clients from our existing portfolio.

Key Highlights of 1H24:

- Training the leading Generative AI models:** The first half of the year saw remarkable progress in our Generative AI training partnerships. We secured a major collaboration to provide a cloud workforce for training one of the world's largest foundational Generative AI models. This initiative, facilitated through our Freelancer Global Fleet program, showcases our commitment to leading the market in this highly competitive space. During the pilot phase, we sourced and qualified over 60,000 freelancers across 52 languages, leveraging our in-house AI capabilities. We're now exploring a direct integration with the client's platform to seamlessly supply tasks to millions of Freelancer users. Our platform currently offers a capacity of over 500,000 hours of Generative AI training per month. The success of this partnership has led to its expansion, now encompassing half a dozen additional Generative AI training projects.

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- **Engineering Services:** In the realm of Engineering Services, we've made significant strides by submitting proposals to three companies interested in white-labelling Freelancer's marketplace. The objective is to create private talent clouds that offer their clients access to certified and vetted freelancers for ongoing projects. This value-added service aims to enhance our partners' exposure and market share for their products and certifications.
- **New Clients:** Our client acquisition efforts have been fruitful, with the initiation of vendor onboarding processes for new clients across the automotive, industrial equipment, and beverage industries. We've also signed a pivotal agreement with a global IT services and business process outsourcing provider that operates in 90 countries, further expanding our reach and capabilities.
- **Activation Program:** The implementation of our redesigned activation program has yielded positive results across various sectors, including oil & gas, FMCG, e-commerce, healthcare, and technology. We've observed a notable increase in activity levels and client comfort in using Freelancer as their primary marketplace for sourcing, managing, and paying freelancers.
- **Government:** In the government sector, we've made significant progress by signing a training and development agreement with a State Sponsored Government in EMEA. This collaboration aims to support local talent in accessing new opportunities in the labour market, demonstrating our commitment to fostering global workforce development.
- **Global E-commerce:** We saw significant growth with a major e-commerce account, expanding into multiple teams across the world. This expansion allowed us to identify repeatable work opportunities, demonstrating our ability to provide an array of talent globally. Key repeatable tasks included translation and other essential services, showcasing our capacity to meet the diverse needs of clients on a large scale.
- **Healthcare:** A leading account in the healthcare technology services industry requires a consistent and ongoing supply of freelancers for data-related tasks. This need aligns perfectly with our Global Fleet program, providing an opportunity to leverage our extensive network of skilled freelancers to meet the high-volume, specialised requirements of this client.

Global Fleet: Revolutionising Workforce Solutions

In 1H24, Freelancer expanded its Global Fleet Program, a significant initiative that provides immediate access to on-location vetted gig workers across 247 countries, regions, and territories.

Global Fleet provides the option of full turnkey program management, including sourcing, vetting, certification, curation, training, quality assurance, dispatch, virtual warehousing,

reporting and support. In addition, our enterprise product group provides workflow integration services

Global Fleet Generative AI Training

In 1H24, Freelancer Limited significantly expanded its Global Fleet program by introducing a strategic Generative AI training initiative. This development addresses the rapidly growing demand for specialised AI development support and positions the Company at the forefront of this transformative technology sector.

The new Generative AI offering encompasses a range of critical services, including the provision of expert knowledge, reinforcement learning for human feedback, and AI safety training. These services are designed to meet the complex needs of companies developing advanced AI systems.


A notable achievement in this initiative is the Company's engagement with a significant client developing one of the world's largest Generative AI foundational models. For this project, Freelancer has initiated the sourcing and onboarding of over 80,000 freelancers. These individuals are currently progressing through a rigorous work commissioning process, demonstrating the Company's capacity to manage large-scale, specialised projects in the AI sector.

Freelancer's unique position in delivering work of this scale is underpinned by its access to the world's largest online talent pool. This vast network enables the Company to rapidly mobilise resources on-demand and precisely match enterprise clients' demographic and skill requirements. Such capabilities are particularly crucial in the fast-paced and evolving field of Generative AI.

The successful deployment of this large-scale Generative AI training initiative showcases Freelancer's ability to meet the needs of leading technology companies. This positions the Company to potentially capture a significant share of the growing market for AI development support services. The Board believes this initiative could have substantial implications for future revenue streams and market positioning, demonstrating the Company's adaptability in leveraging its vast freelancer network for emerging, high-value technology sectors.

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Looking For Work? We Have it!

We have reopened applications for another 60,000 freelancers!

Freelancer now has over half a million hours of work available through our **Freelancer Global Fleet** program. We are seeking talented freelancers from all around the world to help train artificial intelligence for major global technology companies.

We are especially looking for freelancers fluent in the following languages:
Japanese, Korean, Spanish (MX), Portuguese, Hindi, French, Arabic, Indonesian, German, Vietnamese, Italian, Thai, Turkish, Chinese (Simplified), Chinese (Traditional), Spanish, Polish, Russian, Swedish, Marathi, Bengali, Dutch, Norwegian, Danish, Gujarati, Telugu, Ukrainian, Malayalam, Persian, Greek, Romanian, Czech, Kannada, Slovenian, Hungarian, Croatian, Tamil, Slovakian, Finnish, Bulgarian, Lithuanian, Estonian, Urdu, Latvian, Hebrew, Swahili, Serbian, Chinese (Hong Kong)

This is an incredible chance to gain experience working on cutting-edge AI projects for industry-leading companies. Freelancers will have the flexibility to complete the work on their own schedules from anywhere in the world.

If you are skilled in any of the languages listed above and interested in this opportunity, we invite you to sign up using the link in the group below. **Don't miss out on being part of this exciting initiative to advance artificial intelligence on a global scale.**

We look forward to welcoming top freelance talent from a diverse array of countries and linguistic backgrounds to the **Freelancer Global Fleet**. Join us and put your skills to work in this rapidly growing field!

Figure 12: Freelancer Global Fleet Generative AI Opportunity.

Looking ahead, as the Generative AI sector continues its rapid expansion, Freelancer anticipates increased demand for its specialised workforce solutions. The Company is actively developing strategies to further enhance its capabilities in this area. These efforts include expanding the pool of AI-specialised freelancers, developing tailored training programs to upskill existing freelancers in AI-related tasks, and exploring partnerships with leading AI research institutions and technology companies.

The Company will provide updates on the performance and financial impact of this initiative in future reports as projects progress and more data becomes available. This development represents a significant step in Freelancer's evolution, reinforcing its position as a leading provider of flexible, on-demand workforce solutions in the global gig economy, particularly in high-growth technology sectors.

Global Fleet Field Services

Our Global Fleet Field Services offering is now operational in 48 cities across five countries, offering a diverse range of services, including monitor replacements, laptop repairs, and printer installations. To date, we have successfully completed over 71,000 jobs globally, showcasing our commitment to leading the market in innovative field services.

In 2Q24 we travelled to the US to meet in person with key global stakeholders from the worldwide delivery division of our global technology partner. This face-to-face engagement was crucial for aligning on our objectives and projected growth. In 1H24, our primary focus has been on enhancing operational efficiencies and effectiveness through process improvements and tool enhancements, setting the stage for volume growth in FY24.

We have continued to scale our operations across major APAC countries, partnering with a leading technology giant to provide onsite repairs. We achieved a remarkable 230% increase in volumes from the first half of FY23 compared to the same period this year, delivering an all-time high number of repairs in June for both the Indian and Australian markets.

Our field services platform continues to scale, enhancing operational efficiency significantly. This ongoing commitment to technological advancements has been crucial in driving our growth and expansion, with the rollout of numerous new key features.

One of the key new features is real-time updates from onsite field engineers to our dispatchers, who then communicate this information to the partners' portal. This enhancement enables end customers to receive live updates on their incident's progress, including the current status and an estimated repair date.

Looking ahead we plan to introduce additional features to our platform, including an improved dispatcher dashboard, GPS tracking, in app calling and service level tracking to further enhance service quality.

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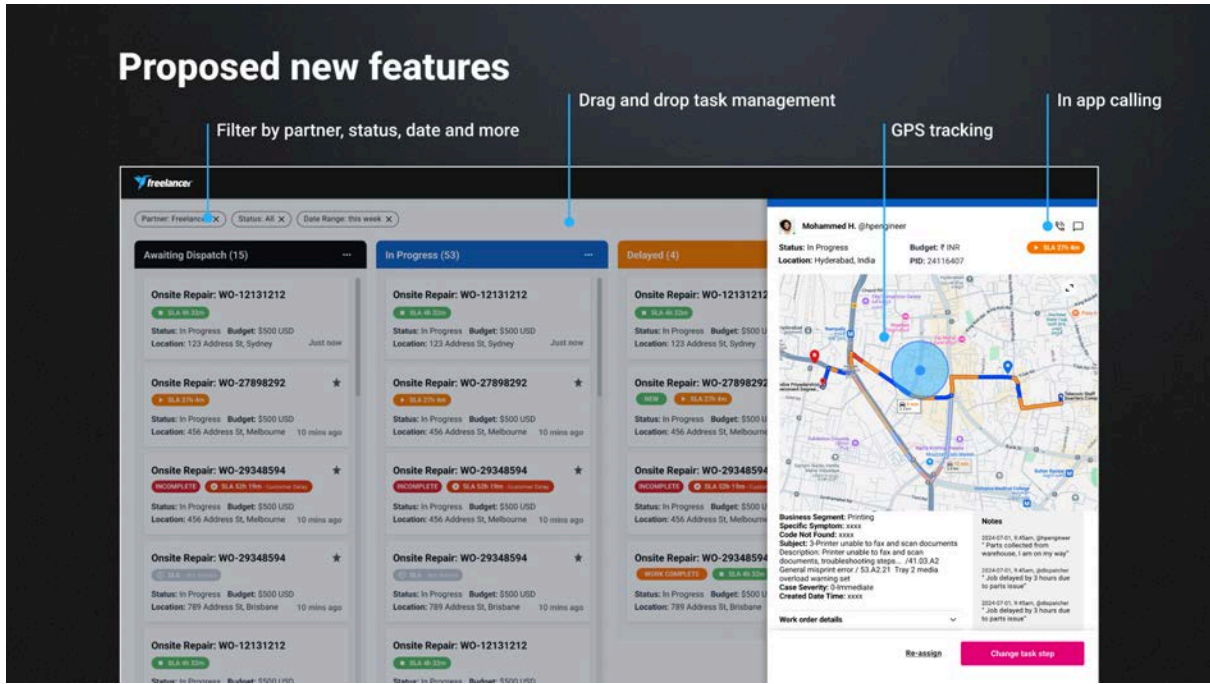


Figure 13: Proposed new features

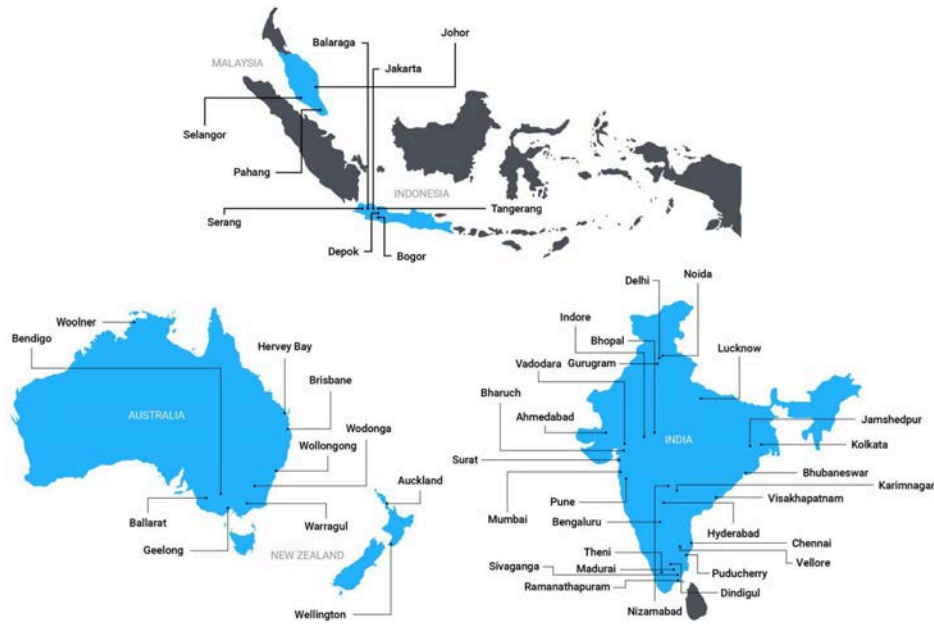


Figure 14: Our global footprint represented across five countries and covering 48 cities

As we look to the future, we are dedicated to further expanding our footprint and enhancing our service offerings. Our strategic partnerships and investments in cutting-edge technology will enable us to maintain our competitive edge and meet the evolving needs of our clients. With a solid foundation established in the first half of the year, we are poised to capitalise on new opportunities and drive sustained growth. Our focus remains on delivering exceptional customer experiences and solidifying our position as a leader in the gig field services market.

NASA & U.S. Government

Freelancer is a leader in Crowd-Based Innovation Challenges. We help the US Federal Government find new and better ways to solve problems and encourage innovation using both existing and new open innovation tools.

Our work in this area continues to be world leading. We recently won a task order with NASA to improve the simulator environments and capabilities for Space ROS, an open-source space robotics framework. For example, to improve the fidelity of the environment for the Curiosity and ISS Robot Arm (SSRMS) in a Mars or Lunar environment, and provide higher fidelity robotic capabilities (e.g. accomplishing a science or resource allocation task, assembly tasks, etc.).

We won another task order in July to improve Crew Navigation Solutions for manned expeditions to the Lunar South Pole as part of the NASA Artemis Moon Exploration Program.

In the half year, examples of some of the work Freelancer completed included:

Detect, Track and Remediate: The Challenge of Small Space Debris



The objective of this challenge was to gather ideas for effective ways to detect, track, describe (size, shape, composition), or remove small space debris that ranges from 1 millimetre to 10 centimetres in size. Freelancer partnered with Ensemble Consultancy to deliver this work.

Detect & Characterize Domain Winners

- Daniel Gebhardt (United States)
- Christine Hartzell, University of Maryland (United States)
- Jesse Reynolds (United States)
- Dr. Richárd Ádám Vécsey, Team Rixel (Hungary)
- Nevin Thinagar, (United States)

Tracking Domain Winners

- Christophe Choquet (France)
- Paolo Petrinca (Italy)

Remediation Domain Winners

- Dmitri Garin (United States)

- Josep Rueda (Spain)
- Jeffrey Morse (United States)
- Kyran McDonnell (Australia)

Who Let the Gas Out? Task Venting in Microgravity Challenge

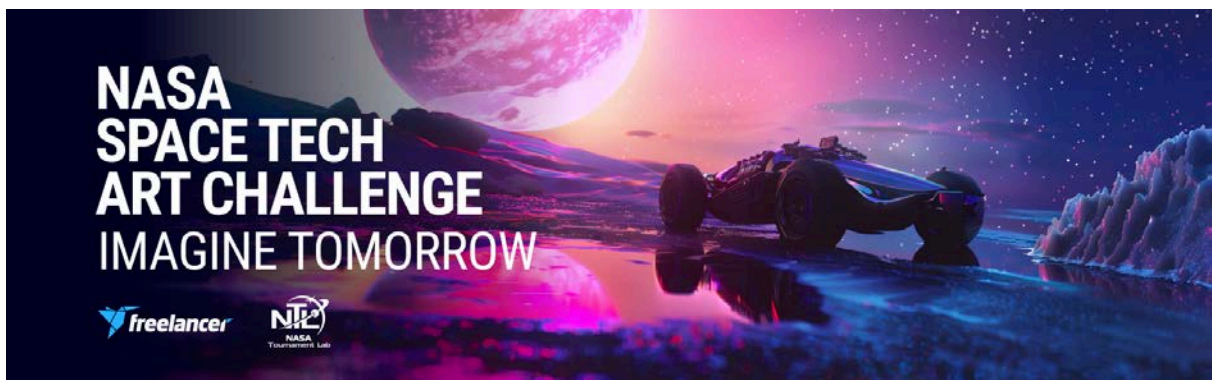


The goal of the competition was to create a solution for venting gas from a partially full propellant tank in space, with the aim of reducing propellant loss.

Who Let the Gas Out? NASA Tank Venting Challenge Winners

- First Place - Kevin M. Crosby and Alvaro Romero-Calvo (United States)
- Second Place - Widget Blender (United States)
- Second Place - C* Suite (United States)
- Third Place - Nazarii Vareshchuk (Ukraine)
- Third Place - Derek McFall (United States)

NASA Space Tech Art Challenge



The NASA Innovative Advanced Concepts (NIAC) Program sought posters that help people better understand the visionary aerospace concepts that might be used in future NASA missions.

NASA Space Technology Art Challenge: Imagine Tomorrow Winners

- Rizky Irawan, Indonesia

- Luis Rivera, United States
- Yi Cai, United States
- Holly Pascal, United States
- Beatriz Bronoski, Brazil
- Matthew Turner, United Kingdom
- Joseph Henney, United States
- Bertrand Dano, United States
- Hadley Nicole D., United States

These winners were also recognized on [nasa.gov](https://www.nasa.gov).

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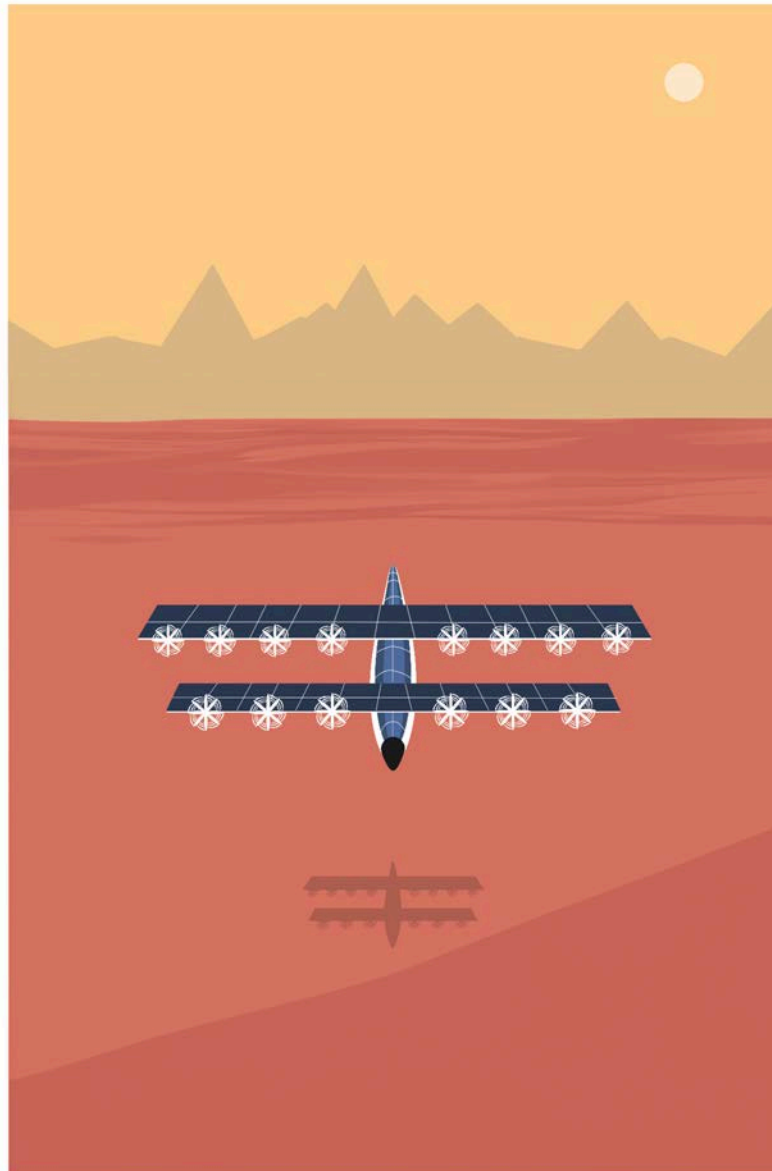


Figure 15: An illustration created by Luis Rivera Hernandez depicting his interpretation of the Mars Aerial and Ground Intelligent Explorer (MAGGIE), a novel aerospace concept study led by Ge-Cheng Zha with Coflow Jet, LLC.

Open Source Software Development

This seven-month project successfully integrated Modified Condition/Decision Coverage (MC/DC) analysis into the GCC compiler for the Orion Space Program. It was a collaborative effort between Freelancer, NASA, and Norwegian freelance developer @jøergenkvalsvik. The team produced a white paper detailing their methods and challenges, advancing software testing for safety-critical systems.

The initiative successfully integrated MC/DC analysis, resulting in a white paper that explains the methods used and the challenges faced, improving software testing for safety-critical systems. The code was accepted into the GCC open-source repository, marking a significant achievement for the project. The project success resulted in a contract extension for additional work.

NASA Technology Trends Market Survey



Working with Blue Clarity LLC, Freelancer conducted a market survey by reaching out to thinkers and innovators around the world. The NASA Technology Trends Market Survey received a lot of attention, gathering 164 responses from 70 different innovators across 12 countries. The reports created from this survey provided a thorough look at new technologies and research progress in aeronautics, science, and space exploration. These reports are very important for NASA because they give a clear view of the current research landscape, spotlight new technologies with great potential, and provide strategic advice for investment and collaboration.

Advanced Air Vehicle Program (AAVP), Revolutionary Vertical Lift Technology (RVLT) Project

Freelancer partnered with Blue Clarity LLC to connect them with @brnrdfncs, the founder of PreviewLabs—a company that specialises in rapid prototyping using game development

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technology. PreviewLabs was selected to create a virtual reality (VR) tool that studies passenger discomfort in urban air taxis. This tool works with regular VR systems and simulates air taxi flights to see how comfortable passengers feel. NASA will use this tool in future studies to improve urban air travel and transportation technology.



In the Australian space industry, Freelancer hosted the Big Dipper Challenge. This challenge aimed to create a Regolith Sample Acquisition Device that can be attached to an Australian-designed rover to collect lunar soil (regolith).

ELO2 Big Dipper Challenge Winners

1st Place

- *BICEP, Biomechanically Inspired Compliant Excavator Payload*, Daniel Ricardo, Rich & Zanon
- *KANGA- Kompact Articulation with Novel Gear from Australia*, Van Dijk, Burtz, Pala & Harpur
- *ROMEO – Regolith Oxygen Magnetic Extraction Operative*, Chebli & Donde

2nd Place

- *ARC – Archimedes Regolith Collector*, Ooi & Gray
- *BLEW – Bladed Lunar Excavation Wheel*, Reimers
- *Super Dooper Lunar Scooper*, Hammonds

3rd Place

- *Central rotating drum with rear tyres*, Graham
- *E.L.R.A.S – Electrostatic Lunar Regolith Accumulation System*, Carbon & Polyzos
- *QRAS – Quick Regolith Acquisition System*, Shah & Nayak
- *Venna*, Ashwin

Honourable Mention:

- Surya Sureshkumar
- Andrew Wills

- The Gunggandji Aerospace Team: Gillmeister, Bazyar, and Shanmugarajah, University of Queensland

Phase Two Winners:

- *BICEP, Biomechanically Inspired Compliant Excavator Payload* Daniel Ricardo, Rich & Zanon
- Runner-up: *Exploring Potential Synergies*, Kim

We continue to work on two major US government initiatives:



The National Institutes of Health (NIH) started the TARGETED (Targeted Genome Editor Delivery) Challenge to improve genome editing technology by finding new ways to deliver genome editors to cells.

In support of this groundbreaking challenge, Freelancer has taken an active role by leveraging its diverse pool of experts. The platform engaged two highly qualified users - a clinical doctor and a university professor - to contribute their expertise to the project. These professionals were tasked with delivering a public lecture on genome editing, providing participants with valuable insights into the technology's current state and its potential future applications.

Phase 2 of the challenge ends in January 2025. Participants in the TARGETED challenge include biotech startups and well-known universities like MIT, Harvard, Stanford, and Yale.



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The Counting Every Drop Challenge is looking for solutions to improve designs for ground-based rain measurement devices (precipitation gauges) that will help with water management decisions. The Department of Reclamation has been testing these devices in the field to choose the winners by August 2024.

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Escrow.com



While the long-term uptrend in GPV continues, Escrow.com's Gross Payment Volume (GPV) in 1H24 slipped to AU\$389.7 million (US\$256.4 million), closing the year-over-year gap from first quarter to down 20.5%. As with previous quarters, this is primarily due to a drop in a small number of large value domain transactions.

Escrow's major focus continues to be on developing a streamlined checkout solution for the ecommerce vertical in order to both remove this lumpiness in transaction value, as well as diversify into many new large markets. The product work for this is well down the path, and scheduled to go into beta in 3Q24.

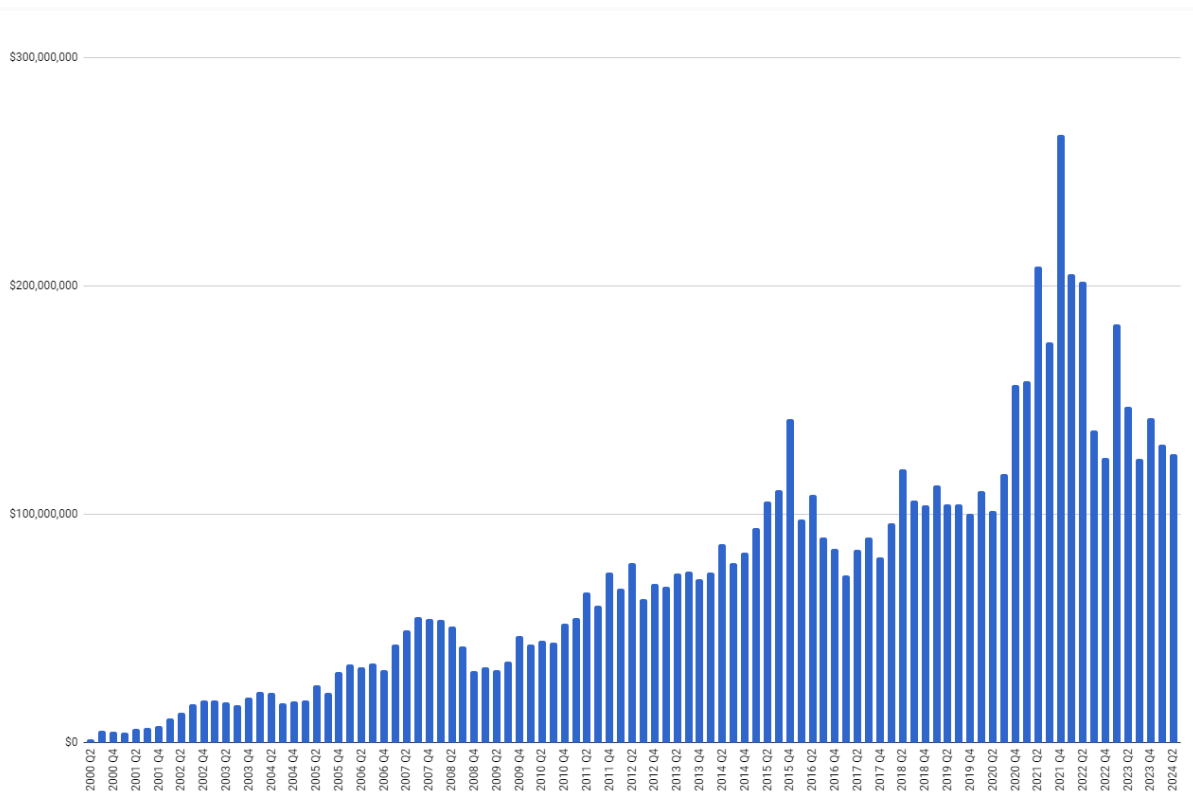


Figure 16: Escrow Gross Payment Volume (USD) by quarter since inception

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Pricing

In 2Q24 we introduced a more robust price card. Previously pricing capped out at transaction values of \$25,000, which is inadequate as Escrow.com increasingly processes largest value transactions.

New Pricing

Transaction amount	Escrow fee	Minimum Fee
\$0 - \$5,000	2.60%	\$50
\$5,000.01 - \$50,000	2.40%	\$130
\$50,000.01 - \$200,000	1.90%	\$1,200
\$200,000.01 - \$500,000	1.50%	\$3,800
\$500,000.01 - \$1,000,000	1.20%	\$7,500
\$1,000,000.01 - \$3,000,000	1.00%	\$12,000
\$3,000,000.01 - \$5,000,000	0.95%	\$30,000
\$5,000,000.01 - \$10,000,000	0.90%	\$47,500
\$10,000,000.01+	0.70%	*Enquire

Old Pricing

Transaction amount	Escrow fee
\$0 - \$5,000	3.25%
\$5,000.01 - \$25,000	\$162.5 + 0.2% of the amount over \$5,000
\$25,000.01+	0.89%

Figure 17: Escrow pricing

This represents the first material pricing change in over 20 years and will be reflected in large investments toward product innovation and operations. Our new pricing has been well accepted by customers with transaction volumes maintaining the long term trend. These changes will further strengthen Escrow.com’s market leading service offering and capabilities to expand across target verticals.

E-Commerce

Escrow.com continued to strengthen our position within the e-commerce vertical in the second quarter, while supporting a variety of marketplaces and brokers, extending across both existing and new partners.

Our major focus for the second quarter was to continue to work towards our eCommerce checkout launch with one of the world’s largest shopping card platforms, which processes over \$75 billion per annum in transaction volume. In the quarter, we identified significant opportunities to uplift the customer experience. Trials of the integration are scheduled for 3Q24.

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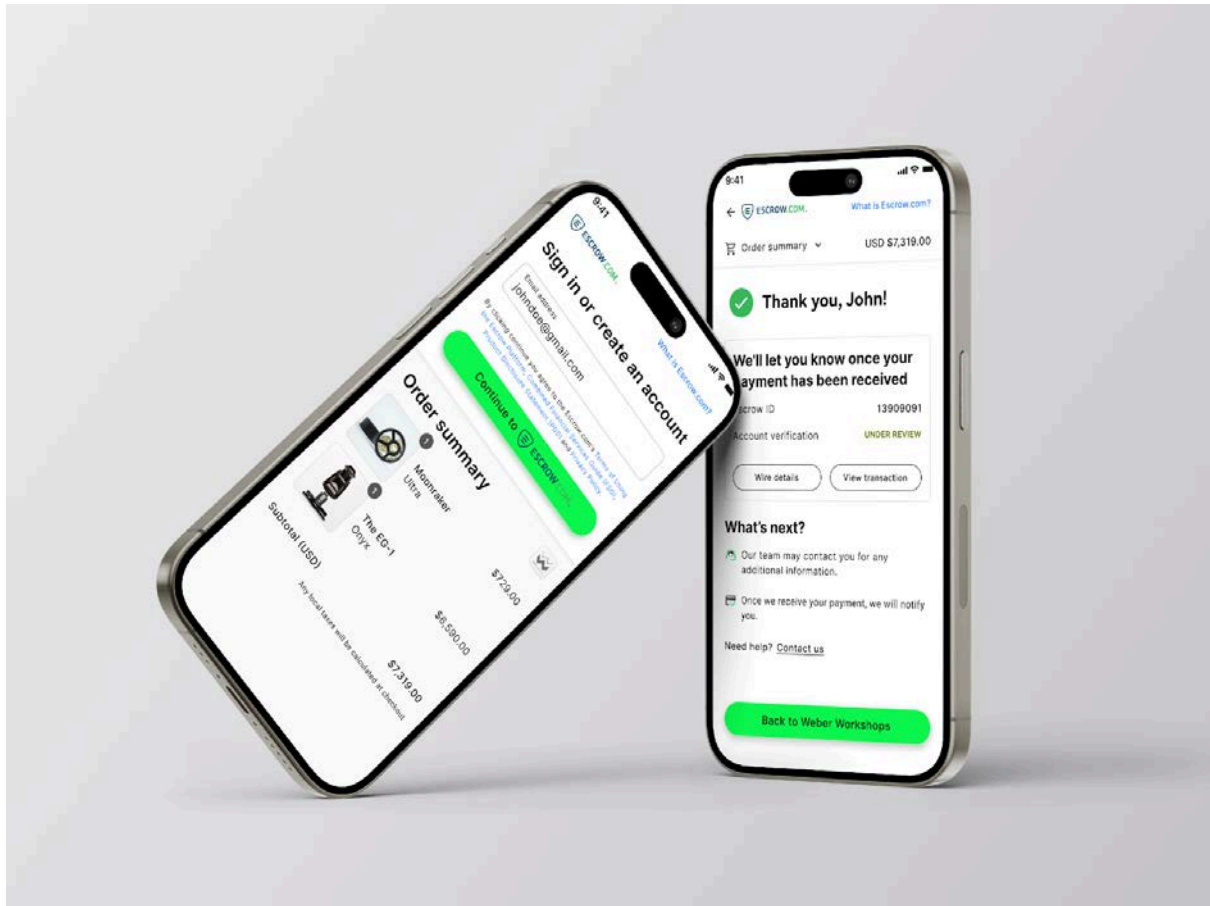


Figure 18: New Escrow.com Checkout Experience

Additionally, Escrow.com partnered with one of the leading shopping cart solutions, who have over 70,000 active stores and processes over \$1B in monthly transaction volume. We now have four of the major shopping cart solutions lined up to integrate with Escrow.com.

Automotive

Escrow.com is in discussion with one of the largest American automotive dealer groups on partnership in a new venture. Due diligence is in progress with Escrow.com positioned as a top contender.

During 2Q24, Escrow.com submitted a proposal to a large US automotive marketplace operator to turn on payments for cars, powersports, recreational vehicles, aircraft, marine, commercial vehicles, and heavy equipment. The platform reaches over 13 million monthly unique visitors. Escrow.com remains well positioned to win the tender.

At the end of 2Q24, Escrow.com continued to work with a Canadian organisation that offers insurance, roadside assistance, car repair, and other services. This organisation has recently launched a marketplace and are seeking additional service offerings for their customers.

IPv4

In the quarter, Escrow.com partnered with one of the largest IPv4 global marketplaces. This partnership allows Escrow.com to solidify the company's position as one of the go-to

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payment solutions within the IPv4 industry. We expect to close an all-time record transaction in this space in 3Q24.

Domain Names

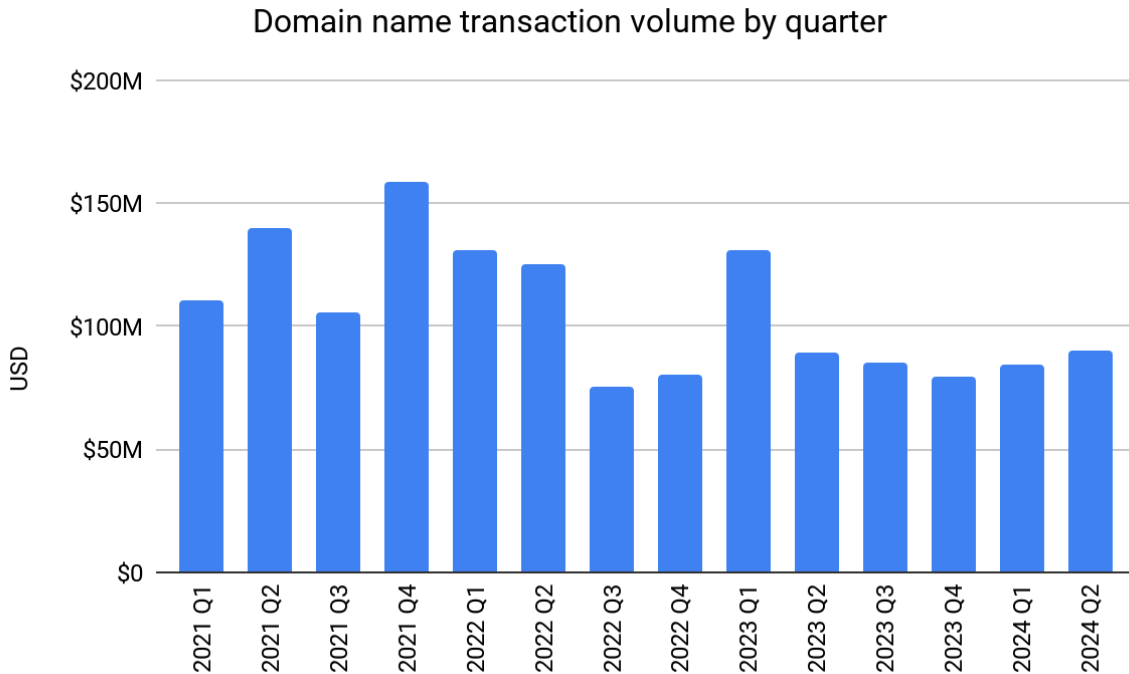


Figure 19: Total domain name sales by quarter (Escrow.com)

This quarter, the total domain name volume on Escrow.com continues to increase from \$84 million to \$90 million from 1Q24 to 2Q24.

From a commercial perspective, during the first half of the year we focused our attention on our top ranked domain name partners, who account for more than \$100M in transaction volume per annum, to further cement our strong relationships with these long-standing clients.

In terms of new business, we successfully partnered with and launched integrations with the world's number one naming platform for brandable and premium domains, as well as one of the world's largest online communities and auction forums for domain name investors.

In June, Escrow.com attended the NamesCon convention in Texas. This is the global premier event for the Domain Names industry, where Escrow.com cemented its position as the leading partner for transactions. Our team solidified relationships with industry heavyweights, current partners and new business opportunities. We hosted the main award event at NamesCon, the Master of Domain awards where the top ten brokers in the world were recognised.

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Loadshift



Figure 20: Terex Finlay Screen 883+ from Ouyen Victoria, to Moura Queensland

Loadshift had an impressive 1H24, with significant growth and increased engagement on the platform. Here are the key highlights:

- **GMV Growth:** Loadshift demonstrated impressive performance in 1H24, marked by significant growth and increased platform engagement. The Gross Marketplace Value (GMV) experienced a substantial year-on-year increase of 43.6%, reaching \$12.8 million indicating successful monetization of more freight.
- **Enhanced Engagement:** Engagement metrics showed remarkable improvement, with quotes placed more than doubling to 176,225, representing a 104.7% year-on-year increase. The average number of quotes per job also saw a significant rise from 3.3 to 7.9.
- **Awarded and Delivered Loads:** The platform's growth was further evidenced by a 77.0% increase in awarded loads, reaching 6,009, while delivered loads more than doubled with a 105.2% increase to 4,915. Revenue generation improved considerably, with project fees rising by 95.2%, highlighting enhanced monetisation efforts. Additionally, the roll-off of low commission memberships contributed to optimising revenue streams.

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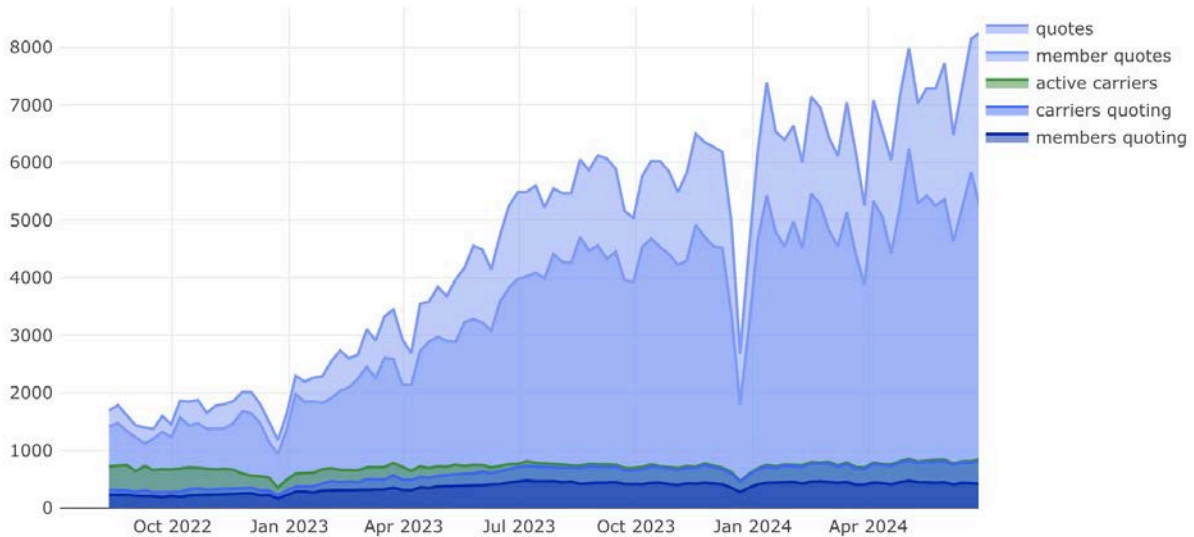


Figure 21: Quotes placed on Loadshift

In 2Q24, Loadshift maintained its growth momentum.

- Jobs Posted:** Although job postings decreased slightly by 12.24% year-on-year to 11,247, this was a result of platform optimization to filter out low-intent shippers. Notably, the machinery segment, which is the most valuable for the business, grew from 29.3% to 30.6% of loads posted year-on-year.
- Quoting Activity:** Quoting activity in Q2 remained strong, with a 77.9% year-on-year increase to 92,508 quotes. The average quotes per job doubled to 8.2. Awarded loads increased by 48.8% to 3,200, and delivered loads rose by 69.5% to 2,610.

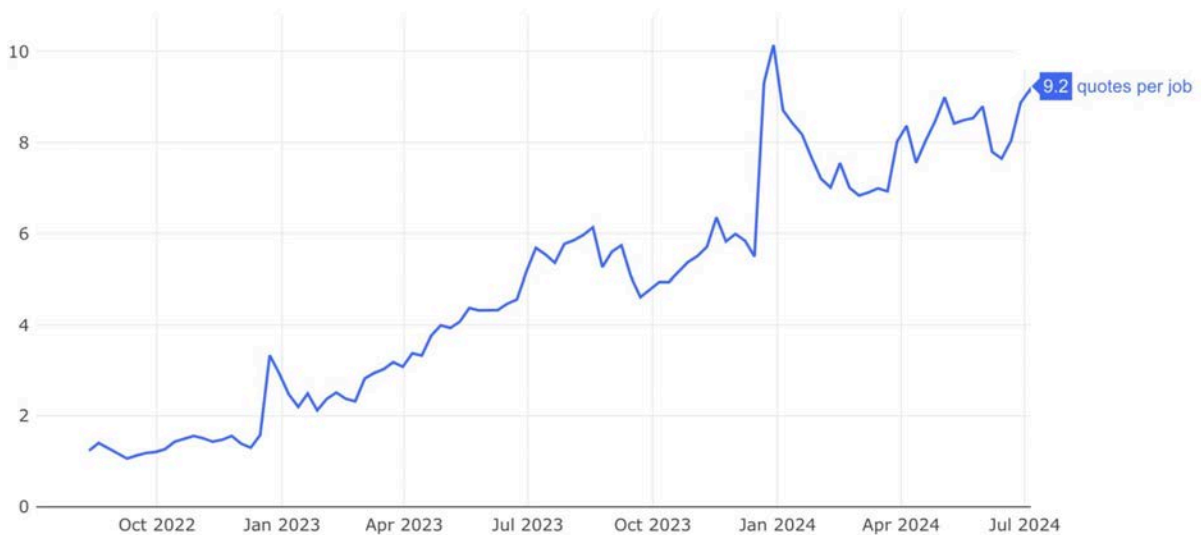


Figure 22: Weekly quotes per Load

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- **Increased Awards and Deliveries:** Awarded loads increased by 48.8% to 3,200, while delivered loads saw a 69.5% rise to 2,610.
- **GMV and Award Rate:** The second quarter also saw continued financial growth, with GMV growing 25.8% year-on-year, and project fees growing by 55.8%. Importantly, the award rate improved significantly from 16.7% in Q2 2023 to 28.3% in 2Q24.

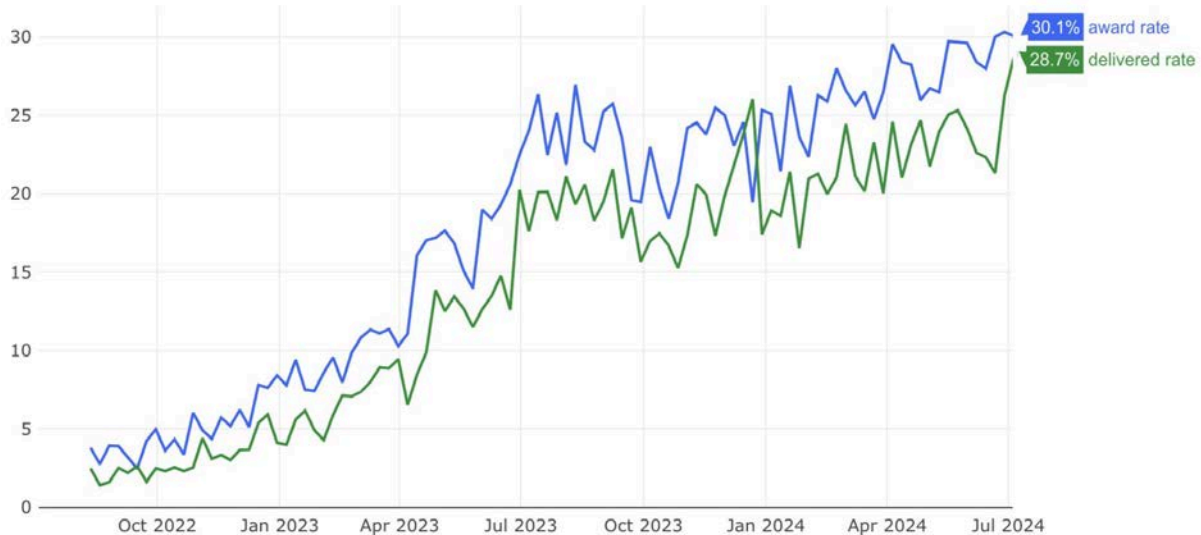


Figure 23: Award rate

The Loadshift product and engineering team continued working on a number of features that increased the robustness of the platform and supported the substantial growth we have seen. This included building additional tooling for internal staff, implementing a verification wall on sign up to improve the quality of users and extra features for enterprise customers such as setting a budget for their loads.

In 1H24, Loadshift Enterprise achieved notable success and demonstrated robust growth across several key metrics. Here's a detailed look at the highlights:

- **Revenue and Gross Marketplace Value (GMV):** Loadshift Enterprise delivered outstanding performance, marked by significant growth and heightened platform engagement. The Enterprise Gross Marketplace Value (GMV) saw a substantial year-on-year increase of 28%, reaching a total of \$3 million. This impressive rise in GMV was closely linked to a 27% increase in the number of jobs listed on the platform, which climbed to 949. As a direct result of these factors, revenue surged by 26%, amounting to \$0.4 million. This growth reflects the platform's expanding influence and its ability to attract and facilitate more transactions.
- **Enhanced Carrier Liquidity:** The first half of 2024 also saw marked improvements in carrier liquidity. There was a significant 68% increase in the number of quotes generated, which contributed to a 10% rise in the award rate for enterprise loads. Additionally, the number of delivered loads experienced a notable increase of 12%. These improvements highlight the growing efficiency and effectiveness of the

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platform in connecting carriers with opportunities, ultimately enhancing the overall fluidity and success of load management.

Loadshift Enterprise continues to demonstrate robust performance, driven by sustained business from its long-term clients. Key partners such as Redpath Mining, Boart Longyear, GE, and Newmont, which recently acquired Newcrest Mining, remain pivotal to the company’s operations. These long standing relationships have ensured a steady flow of weekly freight movements, underscoring Loadshift's reliability and ongoing relevance in the market. Movements have ranged from containers, machinery and equipment, drill rods, portable buildings and other mine site infrastructure. Loadshift Enterprise has also continued to provide urgent hotshot solutions to these and other clients.

New clients registered over the first half of 2024 with regular movements have included Qube, Monadelphous and Hall Contracting. There has also been an increase in energy companies being on boarded as more projects continue to emerge around the country. Coinciding with this, there has been a notable expansion in Loadshift's tender engagements, reflecting the company's growing footprint in the industry. The team has been actively involved in a variety of major tenders, including RFQs from prominent organisations such as UGL, 5B, Mayfield Industries, and DTE Pacific. These tenders encompass a broad spectrum of services, from site mobilisations and demobilisations of materials and equipment to specialised projects like solar farm construction and routine mine site logistics. This diversification in project scope highlights Loadshift's capacity to adapt to varying market demands and reinforces its position as a key player in the logistics sector.

Overall, Loadshift Enterprise's strong performance in 1H24 underscores its continued growth trajectory and its increasing value to clients.

Notable Enterprise customers added in the quarter included:



Figure 24: Enterprise customers added in 2Q24

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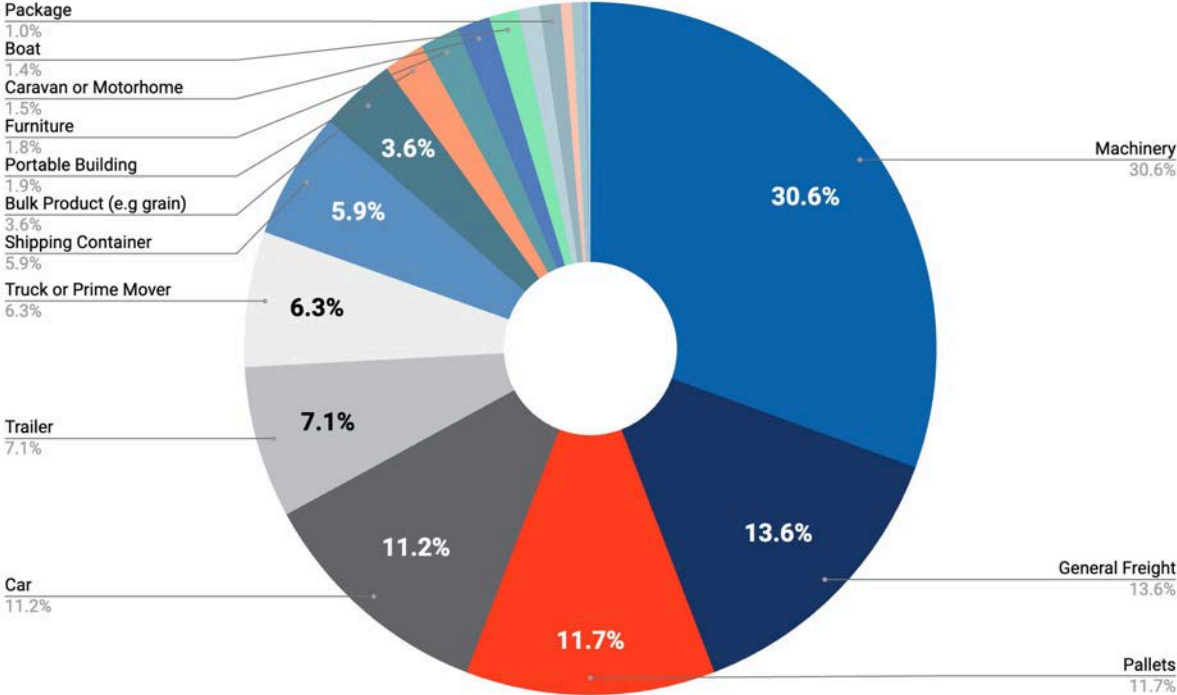


Figure 25: Load segmentation by type (posted)



Figure 27: Various loads shifted in the second quarter of 2024

Group Profitability

The group incurred a Net Loss After Tax of \$1.0m, which was as a result of lower net revenues and reduced gross margins. The lower margin was mainly attributable to increases in fraud provisioning, fraud prevention costs and lower margin enterprise revenues. Some of these costs were one-off in nature and the margin is expected to improve in 2H24. The group continues to optimise and extract cost efficiencies across all functions of the business and operating costs for 1H24 were 8.5% lower than pcp. The group is now operating with a

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significantly lower cost base, which will allow it to achieve sustainable profitability in 2H24 and beyond. Cash and cash equivalents were unchanged at the end of 1H24 versus FY23 at \$21.2m.

Conclusion

The group had positive operating cash flow of \$2.2 million for 1H24 (1H23: \$1.3 million) and ended with cash & equivalents of \$21.2 million, down 8.4% on 1H23.

For more information please contact:

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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 FY24 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.

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Twelve-time Webby award-winning Freelancer is the world's largest freelancing and crowdsourcing marketplace by total number of users and projects posted. More than 74 million registered users have posted over 24 million projects and contests to date in over 3,000 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\$7 billion in transactions secured. Freelancer also owns Loadshift, Australia's largest heavy haulage freight marketplace with over 750 million kilometres of freight posted since inception. Freelancer Limited is listed on the Australian Securities Exchange under the ticker ASX:FLN and is quoted on OTCQX Best Market DTC under the ticker FLNCF.

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