

# Freelancer

## Stable performance in Q3

**Freelancer reported essentially flat revenues in Q325 on a lower gross marketplace volume (GMV). Higher take rates in Escrow.com more than compensated for lower volumes, essentially offsetting a small decline in the Freelancer division's revenue. The company saw good progress in the Loadshift division and has multiple initiatives ongoing to drive growth in the enterprise business. AI-related projects are making an increasing contribution to core marketplace volumes and the company continues to make use of AI tools to improve internal efficiency and platform quality. We maintain our forecasts.**

Year end	Revenue (AUDm)	EBIT (adj) (AUDm)	PBT (AUDm)	EPS (AUc)	P/E (x)
12/23	53.3	0.6	0.3	0.06	N/A
12/24	51.0	0.8	(1.2)	(0.26)	N/A
12/25e	54.7	2.2	3.0	0.46	50.1
12/26e	57.6	2.3	2.1	0.33	69.1

Note: Adjusted EBIT is after depreciation and interest charges associated with capitalised leases and excludes unrealised FX gains or losses, share-based payments and other depreciation. PBT and diluted EPS are normalised and exclude amortisation of acquired intangibles, exceptional items and share-based payments.

## Higher Escrow take rates offset GMV decline

The Freelancer division saw a 3.9% y-o-y increase in GMV, helped by growth from Loadshift, while Escrow saw a 26.0% decline, as Q324 had been boosted by a single US\$50m transaction. The Freelancer division saw a 2.2% revenue decline despite the GMV increase, which we estimate was due to a higher contribution from the lower take rate Loadshift business. Escrow revenue growth was 2.8% as, despite the lower GMV, the take rate was substantially higher than a year ago. Overall, revenue was down 0.7% y-o-y and the company saw positive operating profit. Cash at end Q325 was up 18% y-o-y but down slightly versus H125 as the company increased its stake in Loadshift from 64.2% to 73.4% during Q3.

## Adjusting mix, maintaining forecasts

We have revised our revenue forecasts to more accurately reflect the mix in Q325. We have reduced Freelancer and Escrow GMV forecasts but increased the take rate in the Escrow business. Overall, group revenue, operating profit and EPS forecasts are unchanged. Our net cash forecasts reflect the payments for the increased stake in Loadshift.

## Valuation: GMV growth to drive upside

A reverse discounted cash flow analysis implies that the market is factoring in only mid-single-digit revenue growth and margins for the group over FY25–34. Factoring in revenue growth of 7% per year from FY27 to FY34 and EBITDA margins increasing to 20% by FY34 as the company benefits from operational leverage results in a valuation of A\$0.58/share, 152% above the current share price. With improved take rates in Escrow.com and an already high take rate for the Freelancer marketplace, we view reversal of the GMV declines as the key to driving revenue growth. Catalysts would include higher retention rates and project sizes in the core marketplace, enterprise contract wins, growing Loadshift GMV and a growing contribution from customers in new verticals for Escrow.com.

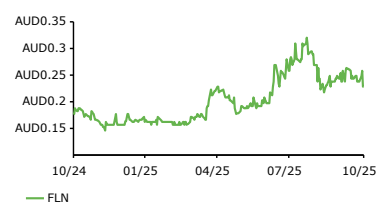
## Q3 business update

Software and comp services

23 October 2025

<b>Price</b>	<b>AUD0.230</b>
<b>Market cap</b>	<b>AUD104m</b>
Net cash/(debt) at end Q325	AUD25.6m
Shares in issue	450.9m
Free float	18.0%
Code	FLN
Primary exchange	ASX
Secondary exchange	OTC

## Share price performance



%	1m	3m	12m
Abs	(6.1)	(17.9)	21.1
52-week high/low		AUD0.3	AUD0.2

## Business description

Freelancer is an Australian company, operating one of the world's largest online marketplaces for freelancers. Its marketplace division has two business units and the company also owns Escrow.com, which is a large transactions processor.

## Next events

FY25 results	February 2026
--------------	---------------

## Analyst

Katherine Thompson +44 (0)20 3077 5700

[tmt@edisongroup.com](mailto:tmt@edisongroup.com)

[Edison profile page](#)

**Freelancer is a research client of Edison Investment Research Limited**

## Review of Q325 business update

The table below summarises Freelancer's Q325 performance.

### Exhibit 1: Freelancer Q325 and 9M25 performance

A\$m	Q324	Q325	y-o-y	9M24	9M25	y-o-y
<b>GMV</b>						
Freelancer	32.8	34.1	3.9%	97.5	100.6	3.2%
Escrow	247.0	182.8	-26.0%	632.1	555.3	-12.2%
Total	279.8	216.8	-22.5%	729.6	655.9	-10.1%
<b>Net revenue</b>						
Freelancer	10.3	10.1	-2.2%	30.7	31.1	1.4%
Escrow	3.1	3.2	2.8%	7.7	9.3	20.4%
Total	13.4	13.3	-0.7%	38.4	40.4	5.2%
<b>Group cash flow</b>						
Operating cash flow	2.2	1.6	-25.3%	4.4	8.5	94.2%
Cash and cash receipts	21.7	25.6	18.0%	21.7	25.6	18.0%

Source: Freelancer

The group saw a 22.5% y-o-y decline in GMV due to the large US\$50m Escrow.com transaction that was reported in Q324. The Freelancer division saw a 3.9% y-o-y increase in GMV, while Escrow saw a 26.0% decline.

The Freelancer division saw a 2.2% revenue decline despite the GMV increase, we estimate due to a higher contribution from the lower take rate Loadshift business. Escrow saw revenue growth of 2.8% as, despite the lower GMV, the take rate of 1.76% was substantially higher than the 1.27% reported in Q324. Overall, revenue was down 0.7% y-o-y.

The company stated that group generated an operating profit in Q325.

The group saw a net cash outflow of A\$0.3m in Q325, with operating cash flow of A\$1.6m offset by lease payments of A\$1.4m and A\$0.4m related to the acquisition of additional shares in Loadshift. At the end of H125, Freelancer owned 64.2% of Loadshift and has since increased its ownership stake to 73.36%. A further A\$1.2m is still payable in three equal instalments over the next nine months.

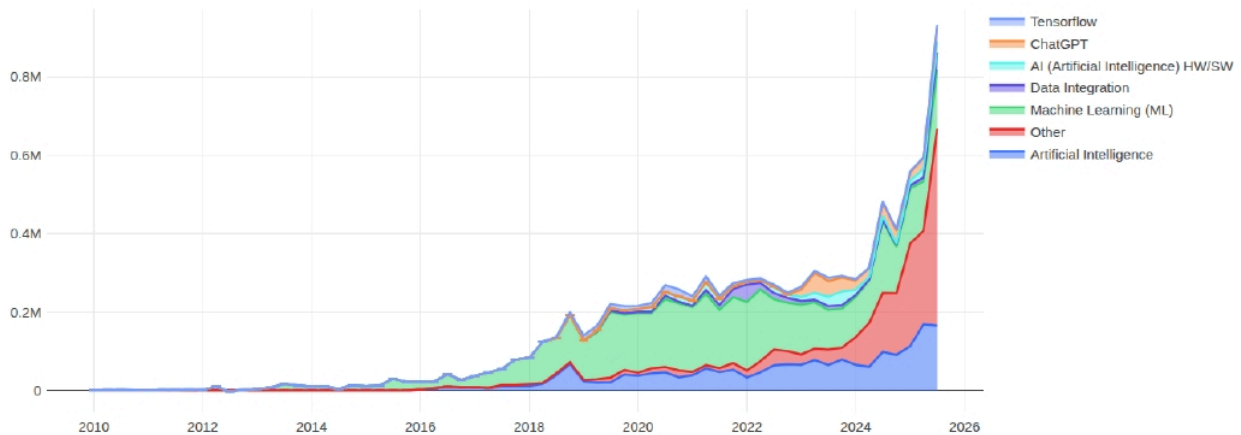
## Freelancer divisional performance

### Freelancer core marketplace

Freelancer added 1.86m new users (down 4.1% y-o-y) and saw 171k projects added to the marketplace (flat quarter-on-quarter and down 16% y-o-y). The average project size of US\$395 was 53% higher year-on-year and 8% higher quarter-on-quarter. The average number of bids per project was 21% higher year-on-year at 57 and average entries per contest more than doubled to 846. The company tracks new client deposits over the first 28 days as a lead indicator of customer acquisition. This was 7.6% higher year-on-year in US dollar terms. The company plans further enhancements to its customer acquisition processes in Q425.

GMV contributed by AI-related projects is growing rapidly, albeit from a small base. The chart below shows the progression of AI-related GMV. In Q4, the business will be extending its AI capabilities to improve project-to-talent conversion, engagement and overall marketplace efficiency.

## Exhibit 2: AI-related jobs – GMV in US dollars



Source: Freelancer

## Freelancer enterprise business

The enterprise business has made progress in the following areas:

- A global cloud computing platform will position Freelancer as a service provider to 18,000 small/medium business customers, with customers already live.
- A concierge service is being launched to provide operational support, including specialised talent sourcing for premium enterprise customers.
- Global fleet for generative AI: engagements are ongoing with multiple technology and service providers for large-scale AI training and data operations. The business has introduced an automated credential management system to scale the deployment of freelancers. The product team has started working on advanced demographic profiling and intelligent search capabilities to rapidly identify and match specialised talent with specific project requirements.
- Global fleet for field services: one client has engineers fully trained and ready to start operations this month. A major Indian retail group is close to completing onboarding. The business is currently in the final contract stage for the supply of over 5,000 field professionals to support product distribution across the Indian market for a leading fintech platform.
- NASA: Freelancer ran several key initiatives during Q3 including the US\$6m NIH TARGETED Challenge, the NASA Moon Mascot Challenge, the NASA Sustainable Business Model Challenge and the NIH Data Sharing (S-Index) Challenge.
- Government: the Bahrain Labour Fund mentoring programme, which places participants in training with top-performing freelancers, continued to operate during Q3.

## Loadshift

Loadshift achieved record monthly revenue in September (up 25.3% y-o-y) and record quarterly revenue in Q325 (up 15.5% y-o-y). The business was profitable for Q325. This was achieved through improvements in the award rate (+1.2pp to 28.4%), total jobs awarded (+11.3% y-o-y to 3,512) and delivered loads (+8.2% y-o-y). Carrier engagement was strong with 2.1 quotes per job in the first hour.

During the quarter, a new dashboard was launched to give operations teams real-time visibility into platform activity and performance metrics. The business's next priorities are to focus on driving widespread user adoption of the in-app calling function, enhancing and streamlining the carrier onboarding experience and implementing real-time GPS tracking to improve customer visibility.

## Escrow.com performance

Escrow.com processed domain name transactions (the largest vertical for this business) with a GMV of US\$95.5m/ A\$145.9m, down 3.7% y-o-y but up quarter-on-quarter. AI ventures and digital assets made up a large proportion of transactions.

Last year, the company's focus was on integrating with one of the largest shopping cart platforms that processes more than US\$290bn in transaction volume per year and in Q325 the business continued to onboard partners. The service for this platform is still in beta, but it has started processing transactions. The company plans to ramp this carefully to ensure it can provide a good service in this new vertical.

In Q3, the business formed new partnerships with multiple US-based businesses to integrate Escrow.com payment systems. This includes Immobiliu, a global luxury asset platform with a network of 5,000 real estate agents, and Pitch Capital, an AI-powered capital raising platform that has already helped secure US\$370m in funding for start-ups.

To improve service levels in the business, 24/7 customer support was rolled out in Q3, including voice, email and chat support services. The business expanded its account management team and transitioned to a global account management structure.

## Outlook and changes to forecasts

---

We have revised our forecasts to reflect lower GMV in both divisions and a higher take rate for Escrow.com. Overall, our revenue, profit and earnings forecasts are unchanged. We have reflected the payments for the increased stake in Loadshift, reducing our net cash forecasts at the end of FY25 from A\$26.8m to A\$26.0m and at the end of FY26 from A\$29.3m to A\$27.7m.

The company's focus for Q425 will continue to be:

1. **Enhance marketplace engagement.** Make continued improvements to user experience and matching capabilities to attract, activate and retain high-quality freelancers and clients.
2. **Accelerate AI-driven innovation.** Expand the integration of advanced AI solutions across products and services to enable efficiency, automation and new opportunities for enterprise growth.
3. **Expand financial service offerings.** Broaden and streamline payment methods and financial infrastructure to improve transaction ease, security and global scalability.
4. **Drive operational excellence.** Strengthen platform reliability, quality and performance through rigorous internal processes, to enhance customer satisfaction and market leadership.

The company is targeting A\$500k per month in operating profit on an ongoing basis.

**Exhibit 3: Financial summary**

	A\$'k	2018	2019	2020	2021	2022	2023	2024	2025e	2026e
Year end 31 December		IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS
<b>INCOME STATEMENT</b>										
Revenue		51,675	57,911	58,771	57,419	55,660	53,334	51,003	54,656	57,564
Cost of Sales		(7,651)	(9,455)	(9,786)	(9,689)	(8,740)	(9,093)	(9,214)	(9,292)	(9,786)
Gross Profit		44,024	48,456	48,985	47,730	46,920	44,241	41,789	45,365	47,778
EBITDA		(672)	2,044	5,793	3,972	(746)	6,784	4,799	8,559	7,282
Company adjusted operating profit		(705)	(1,084)	(447)	(2,690)	(6,579)	568	771	2,183	2,325
Normalised operating profit		(1,202)	(1,170)	1,081	(922)	(5,216)	2,051	138	3,897	2,620
Amortisation of acquired intangibles		0	0	0	0	0	0	0	0	0
Exceptionals		0	0	0	0	0	0	0	1,000	0
Share-based payments		(558)	(329)	(192)	(156)	(159)	(115)	(94)	(94)	(94)
Reported operating profit		(1,760)	(1,499)	889	(1,078)	(5,375)	1,936	44	4,803	2,526
Net Interest		(33)	(219)	(1,751)	(2,035)	(1,655)	(1,717)	(1,314)	(895)	(476)
Joint ventures & associates (post tax)		0	0	0	0	0	0	0	0	0
Exceptionals		0	0	0	0	0	0	0	0	0
Profit Before Tax (norm)		(1,235)	(1,389)	(670)	(2,957)	(6,871)	334	(1,176)	3,003	2,145
Profit Before Tax (reported)		(1,793)	(1,718)	(862)	(3,113)	(7,030)	219	(1,270)	3,909	2,051
Reported tax		309	127	216	856	1,617	(30)	456	(902)	(615)
Profit After Tax (norm)		(1,235)	(1,389)	(670)	(2,957)	(6,871)	288	(1,176)	2,072	1,501
Profit After Tax (reported)		(1,484)	(1,591)	(646)	(2,257)	(5,413)	189	(814)	3,007	1,436
Minority interests		0	0	0	0	0	0	0	0	0
Discontinued operations		0	0	0	0	0	0	0	0	0
Net income (normalised)		(1,235)	(1,389)	(670)	(2,957)	(6,871)	288	(1,176)	2,072	1,501
Net income (reported)		(1,484)	(1,591)	(646)	(2,257)	(5,413)	189	(814)	3,007	1,436
Basic average number of shares outstanding (m)		449.3	449.8	450.0	450.2	450.8	450.9	450.9	450.9	450.9
EPS - basic normalised (c)		(0.27)	(0.31)	(0.15)	(0.66)	(1.52)	0.06	(0.26)	0.46	0.33
EPS - diluted normalised (c)		(0.27)	(0.31)	(0.15)	(0.66)	(1.52)	0.06	(0.26)	0.46	0.33
EPS - basic reported (c)		(0.33)	(0.35)	(0.14)	(0.50)	(1.20)	0.04	(0.18)	0.67	0.32
Dividend (c)		0	0	0	0	0	0	0	0	0
Revenue growth (%)		0.0	12.1	1.5	(2.3)	(3.1)	(4.2)	(4.4)	7.2	5.3
Gross Margin (%)		85.2	83.7	83.3	83.1	84.3	83.0	81.9	83.0	83.0
EBITDA Margin (%)		(1.3)	3.5	9.9	6.9	(1.3)	12.7	9.4	15.7	12.7
Normalised Operating Margin (%)		(2.3)	(2.0)	1.8	(1.6)	(9.4)	3.8	0.3	7.1	4.6
<b>BALANCE SHEET</b>										
Fixed Assets		33,459	60,699	61,727	66,372	66,248	60,502	55,496	52,014	48,532
Intangible Assets		26,429	26,429	26,457	34,119	34,120	34,120	34,120	34,120	34,120
Tangible Assets		557	27,446	22,785	19,392	18,323	13,751	9,423	5,941	2,459
Deferred tax & other		6,473	6,824	12,485	12,861	13,805	12,631	11,953	11,953	11,953
Current Assets		37,657	37,326	41,964	38,955	30,797	28,182	28,467	30,494	33,288
Stocks		0	0	0	0	0	0	0	0	0
Debtors		3,474	4,003	5,593	6,448	4,825	3,927	2,340	2,508	2,641
Cash & cash equivalents		33,211	32,014	34,341	30,316	23,358	21,153	23,162	25,021	27,682
Other		972	1,309	2,030	2,191	2,614	3,102	2,965	2,965	2,965
Current Liabilities		38,628	42,984	48,170	50,849	48,831	45,009	45,857	47,789	49,327
Creditors		35,898	36,807	39,166	41,259	39,647	36,529	37,135	39,067	41,605
Tax and social security		71	57	87	43	18	4	0	0	0
Short-term borrowings		121	121	286	121	121	121	0	0	0
Lease liabilities		0	3,248	5,628	5,709	5,562	4,842	5,487	5,487	4,487
Other		2,538	2,951	3,003	3,717	3,483	3,513	3,235	3,235	3,235
Long-Term Liabilities		1,413	25,102	26,356	23,148	21,749	16,850	11,391	7,436	4,481
Long-term borrowings		0	0	0	0	0	0	0	0	0
Lease liabilities		0	23,134	19,094	16,082	15,519	12,187	6,911	2,956	1
Other long-term liabilities		1,413	1,968	7,262	7,066	6,230	4,663	4,480	4,480	4,480
Net Assets		31,075	29,939	29,165	31,330	26,465	26,825	26,715	27,283	28,012
Minority interests		(20)	(20)	(20)	(3,674)	(3,674)	(3,674)	(3,795)	(2,262)	(1,462)
Shareholders' equity		31,055	29,919	29,145	27,656	22,791	23,151	22,920	25,021	26,550
<b>CASH FLOW</b>										
Op Cash Flow before WC and tax		(717)	1,623	4,066	2,637	(943)	4,922	3,847	7,669	6,098
Working capital		(660)	300	5,094	(1,463)	(3,930)	(3,505)	(45)	1,764	2,405
Exceptional & other		(160)	(196)	(1,439)	1,313	535	339	1,950	0	0
Share-based payments		558	329	192	156	159	115	94	94	94
Net operating cash flow		(979)	2,056	7,913	2,643	(4,179)	1,871	5,846	9,527	8,596
Capex		(135)	(227)	(221)	(429)	(149)	(53)	(92)	(180)	(180)
Acquisitions/disposals		23	0	(28)	(7,662)	0	0	0	(1,533)	(800)
Borrowings		121	0	176	0	0	0	0	0	0
Equity financing		57	340	0	3,987	0	0	0	0	0
Dividends		0	0	0	0	0	0	0	0	0
Other		86	(3,091)	(2,721)	(3,479)	(3,845)	(4,201)	(4,955)	(4,955)	(4,955)
Net Cash Flow		(827)	(922)	5,119	(4,940)	(8,173)	(2,383)	799	2,859	2,661
Opening net debt/(cash)		(31,908)	(33,090)	(31,893)	(34,055)	(30,195)	(23,237)	(21,032)	(23,162)	(25,021)
FX		2,130	(275)	(2,792)	915	1,215	178	1,210	0	0
Other non-cash movements		(121)	0	(165)	165	0	0	121	0	0
Closing net debt/(cash)		(33,090)	(31,893)	(34,055)	(30,195)	(23,237)	(21,032)	(23,162)	(26,021)	(27,682)

Source: Freelancer, Edison Investment Research

---

## General disclaimer and copyright

This report has been commissioned by Freelancer and prepared and issued by Edison, in consideration of a fee payable by Freelancer. Edison Investment Research standard fees are £60,000 pa for the production and broad dissemination of a detailed note (Outlook) following by regular (typically quarterly) update notes. Fees are paid upfront in cash without recourse. Edison may seek additional fees for the provision of roadshows and related IR services for the client but does not get remunerated for any investment banking services. We never take payment in stock, options or warrants for any of our services.

**Accuracy of content:** All information used in the publication of this report has been compiled from publicly available sources that are believed to be reliable, however we do not guarantee the accuracy or completeness of this report and have not sought for this information to be independently verified. Opinions contained in this report represent those of the research department of Edison at the time of publication. Forward-looking information or statements in this report contain information that is based on assumptions, forecasts of future results, estimates of amounts not yet determinable, and therefore involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of their subject matter to be materially different from current expectations.

**Exclusion of Liability:** To the fullest extent allowed by law, Edison shall not be liable for any direct, indirect or consequential losses, loss of profits, damages, costs or expenses incurred or suffered by you arising out or in connection with the access to, use of or reliance on any information contained on this note.

**No personalised advice:** The information that we provide should not be construed in any manner whatsoever as, personalised advice. Also, the information provided by us should not be construed by any subscriber or prospective subscriber as Edison's solicitation to effect, or attempt to effect, any transaction in a security. The securities described in the report may not be eligible for sale in all jurisdictions or to certain categories of investors.

**Investment in securities mentioned:** Edison has a restrictive policy relating to personal dealing and conflicts of interest. Edison Group does not conduct any investment business and, accordingly, does not itself hold any positions in the securities mentioned in this report. However, the respective directors, officers, employees and contractors of Edison may have a position in any or related securities mentioned in this report, subject to Edison's policies on personal dealing and conflicts of interest.

Copyright 2025 Edison Investment Research Limited (Edison).

---

## Australia

Edison Investment Research Pty Ltd (Edison AU) is the Australian subsidiary of Edison. Edison AU is a Corporate Authorised Representative (1252501) of Crown Wealth Group Pty Ltd who holds an Australian Financial Services Licence (Number: 494274). This research is issued in Australia by Edison AU and any access to it, is intended only for "wholesale clients" within the meaning of the Corporations Act 2001 of Australia. Any advice given by Edison AU is general advice only and does not take into account your personal circumstances, needs or objectives. You should, before acting on this advice, consider the appropriateness of the advice, having regard to your objectives, financial situation and needs. If our advice relates to the acquisition, or possible acquisition, of a particular financial product you should read any relevant Product Disclosure Statement or like instrument.

---

## New Zealand

The research in this document is intended for New Zealand resident professional financial advisers or brokers (for use in their roles as financial advisers or brokers) and habitual investors who are "wholesale clients" for the purpose of the Financial Advisers Act 2008 (FAA) (as described in sections 5(c) (1)(a), (b) and (c) of the FAA). This is not a solicitation or inducement to buy, sell, subscribe, or underwrite any securities mentioned or in the topic of this document. For the purpose of the FAA, the content of this report is of a general nature, is intended as a source of general information only and is not intended to constitute a recommendation or opinion in relation to acquiring or disposing (including refraining from acquiring or disposing) of securities. The distribution of this document is not a "personalised service" and, to the extent that it contains any financial advice, is intended only as a "class service" provided by Edison within the meaning of the FAA (i.e. without taking into account the particular financial situation or goals of any person). As such, it should not be relied upon in making an investment decision.

---

## United Kingdom

This document is prepared and provided by Edison for information purposes only and should not be construed as an offer or solicitation for investment in any securities mentioned or in the topic of this document. A marketing communication under FCA Rules, this document has not been prepared in accordance with the legal requirements designed to promote the independence of investment research and is not subject to any prohibition on dealing ahead of the dissemination of investment research.

This Communication is being distributed in the United Kingdom and is directed only at (i) persons having professional experience in matters relating to investments, i.e. investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "FPO") (ii) high net-worth companies, unincorporated associations or other bodies within the meaning of Article 49 of the FPO and (iii) persons to whom it is otherwise lawful to distribute it. The investment or investment activity to which this document relates is available only to such persons. It is not intended that this document be distributed or passed on, directly or indirectly, to any other class of persons and in any event and under no circumstances should persons of any other description rely on or act upon the contents of this document.

This Communication is being supplied to you solely for your information and may not be reproduced by, further distributed to or published in whole or in part by, any other person.

---

## United States

Edison relies upon the "publishers' exclusion" from the definition of investment adviser under Section 202(a)(11) of the Investment Advisers Act of 1940 and corresponding state securities laws. This report is a bona fide publication of general and regular circulation offering impersonal investment-related advice, not tailored to a specific investment portfolio or the needs of current and/or prospective subscribers. As such, Edison does not offer or provide personal advice and the research provided is for informational purposes only. No mention of a particular security in this report constitutes a recommendation to buy, sell or hold that or any security, or that any particular security, portfolio of securities, transaction or investment strategy is suitable for any specific person.

---