

ASX Announcement | 21 April 2020

Quarterly Cash Flow and Activity Report

Freelancer Group delivers cash receipts of \$13.9 million (down 1.0% on pcp) in 1Q20. Group GPV in the quarter was an all-time record of \$210.2m, up 2.9% on pcp. Freelancer segment Gross Payment Volume for 1Q20 was \$43.6m (down 5.0% on pcp, unaudited). Escrow segment Gross Payment Volume was an all-time record in 1Q20 of \$166.5 million (up 5.2% on pcp, unaudited). The group had positive net operating cash flow of \$0.5 million for the quarter and ended 1Q20 with cash and cash equivalents of \$34.9 million, up 9.0% on 4Q19.

SYDNEY, 21 April 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 31 March 2020 (1Q20).

Freelancer.com



The Global Forced Work Online Experiment Commences

The first quarter of 2020 saw the emergence of the Covid-19 pandemic, and the world began a global "work online" experiment. From our analytics we could clearly see disruption as businesses transitioned to work from home, followed by a marked uptick in activity as the global workforce settled into the new way of doing things and was forced to work online.

Freelancer segment Gross Payment Volume for 1Q20 was \$43.6m (down 5.0% on pcp, unaudited). Cash receipts were \$13.9 million (down 1.0% on pcp) in 1Q20. GPV in the quarter was affected by disruption in the workforce transitioning to working online. We expect this, however, to be a positive, not a negative, factor in coming quarters and from the end of March through to April we saw a lift in our key metrics as detailed below. Revenue (and cash receipts) was affected by a drop of \$1.2m in engineering services revenue (unaudited), primarily from the completion of the work for Arrow Electronics- however we expect this to lift throughout the year as we commence custom projects with other customers.

We describe the factors affecting the quarter below.

The Negative: China

Our China user base, in particular, experienced significant disruption as the country entered lockdown. We suspect that in many regions the Internet was either cut-off or severely degraded in ways that limited the ability of Chinese users to use our website. WeChat was reported to be blocking certain keywords, images and videos¹.

The vast majority of Chinese users on our website are freelancers, primarily in longer term, higher value projects in technical areas such as software and mobile phone application development. We observed that the intermittent nature of connectivity caused disruption to projects that were underway. Unfortunately, it was not until late February that we realised that this disruption was severe enough that we had to set up operational teams to chaperone the job posters of these projects to new freelancers to continue the work.

To add complication to this, the Chinese lockdowns also came in at a time when we were embarking on a major crackdown on spam which was originating primarily out of China. This crackdown involved deploying higher thresholds for trust & safety of our users from that region in order to interact in the marketplace.

Overall, the impact from disruption in China was 2.8% of GMV for the quarter relative to 4Q19.

The Positive: Rest of World

For the rest of the world, we also clearly observed the disruption from lockdowns in our analytics in 1Q20, however outside of China we observed reasonably quick recovery, followed by key metrics rapidly hitting new highs as the global workforce transitioned to working online.

¹ <https://www.buzzfeednews.com/article/ryanhatethis/china-tencent-wechat-yy-censorship-coronavirus>

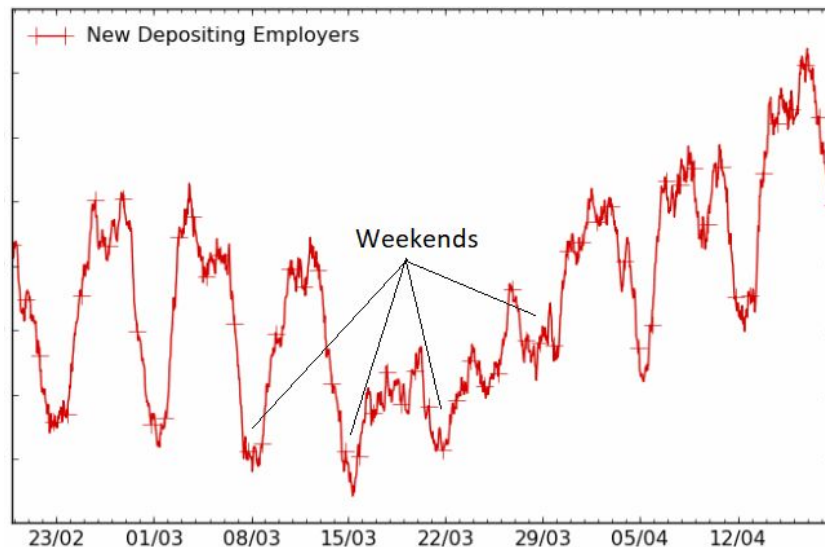


Figure 1: New depositing job posters over time (daily).

The week of 1st March 2020 was the peak for the 2020 year to date. The week of the 8th of March was the week that reality hit in the Western world, as it became clear that Covid-19 was likely to become a global pandemic and not restricted to China. This was also the week that the S&P officially crashed (defined as a drop greater than 20%). On the 9th of March, Italy imposed a national quarantine, restricting the movement of the population except for necessity, work, and health circumstances. California followed suit on the 20th of March and New York on the 22nd of March- the impact of which can clearly be seen in the graphs below. At the time, we were in close contact with Patrick Llewelyn, CEO of 99designs, who verified that they were seeing a similar level of impact in their key metrics.

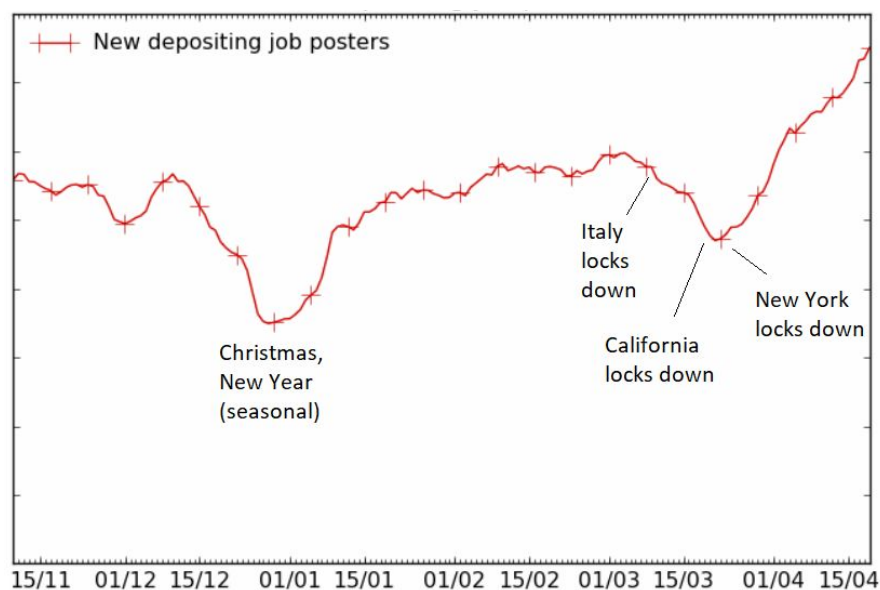


Figure 2: New depositing job posters over time. Y origin is zero.

While Freelancer had a remarkably smooth transition to work from home thanks to advanced planning by Yves Sy, our AVP of Technical Operations, the first week involved disruption in setting up the home environment for work and getting used to the new working paradigm.

However, through the last two weeks of March, we could clearly see key metrics trending up as the working world transitioned from working in an office to working online at home.

Across multiple key metrics, the week of 29th March beat the previous highs of the week of the 1st March for the year, and the week of the 5th April continues the strong uptrend.

Additionally, we have noticed that the key metrics for weekends are significantly up, and Saturday and Sunday are starting to look more like a Monday or Friday as the working week blurs for those working from home.

Easter is a period where there is usually a dip in key metrics. This Easter, the world worked through.

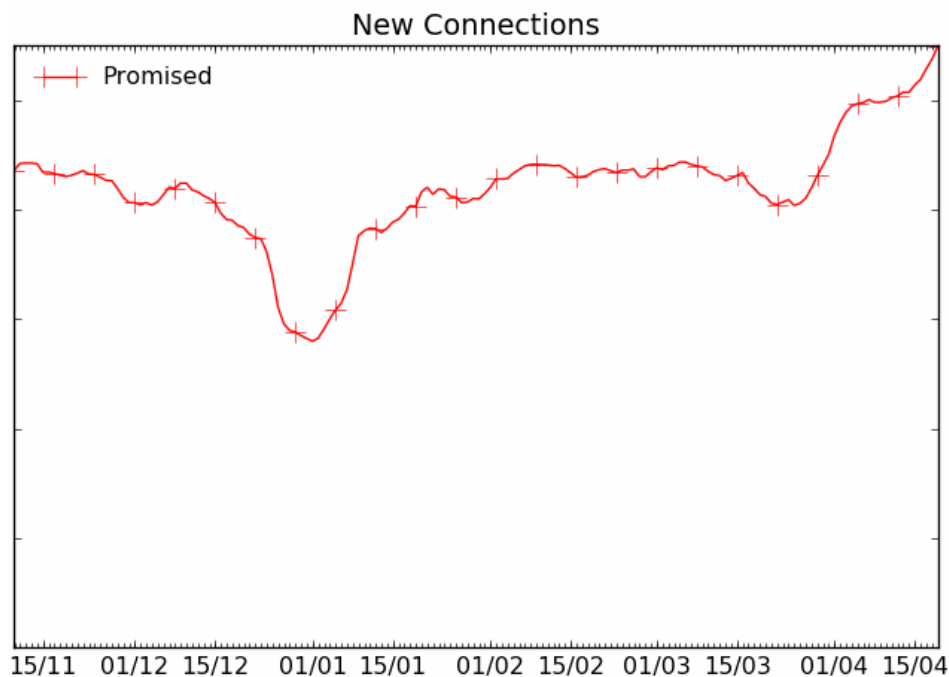


Figure 3: New connections between job posters and freelancers over time (the first payment between a unique employer-freelancer pairing- project or contest).

On the freelancer side we are also seeing a lift in metrics. For example, for contests, the total number of distinct users entering contests has lifted substantially in the quarter, and we are now seeing the total number of entries per month reached 912,000, up 65% on January 2019.

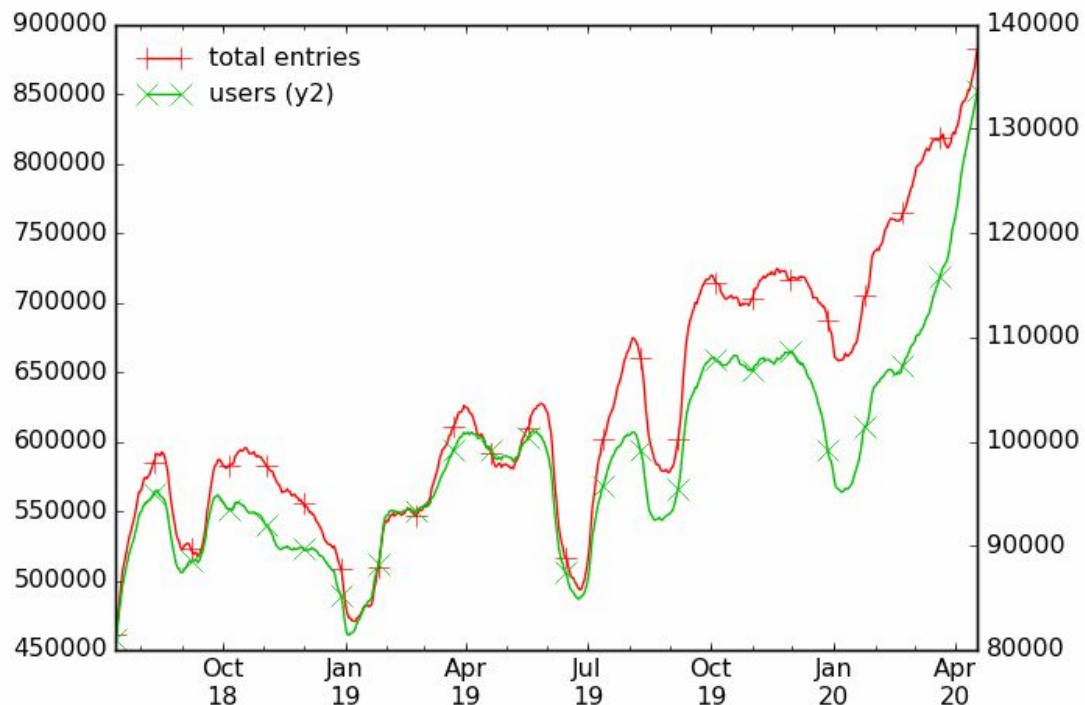


Figure 4: Total number of distinct users entering contests and total number of entries per month.

Overall, the average number of entries per contest has lifted in the quarter and is approaching 200. Anecdotally, we ran a logo contest at the beginning of April 2020 for US\$100 and received over 940 entries. The last business card contest we posted for US\$10 received over 430 entries.

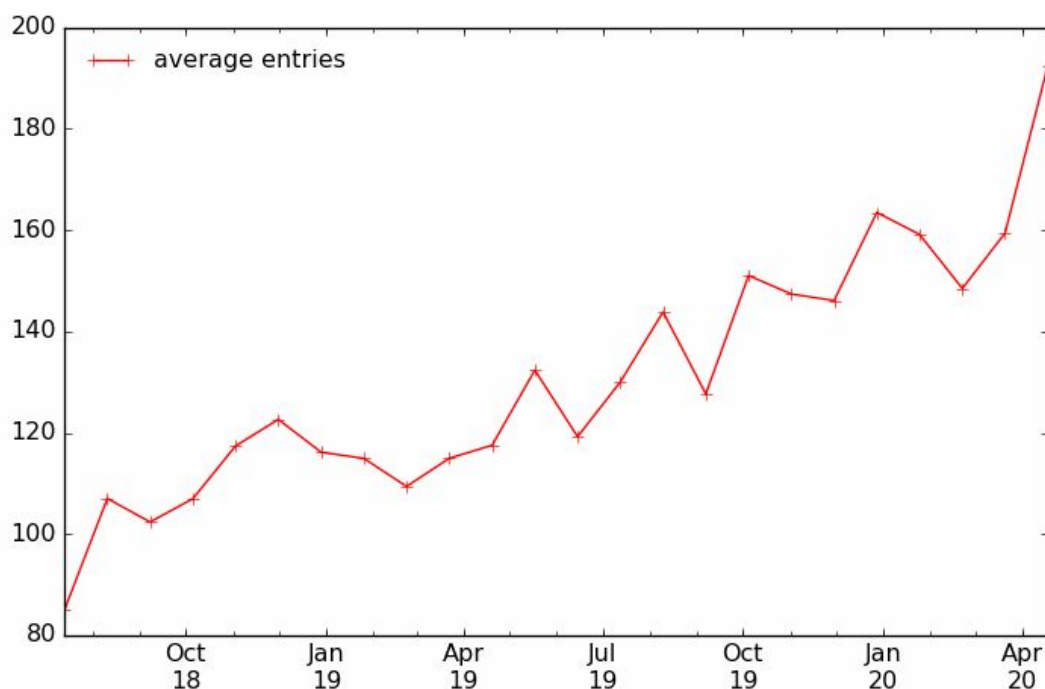


Figure 5: Average number of entries per contest

Similarly, the number of active bidders per month lifted in the quarter with a strong lift towards the end of March. The total number of active bidders per month lifted 67% from January 2020 to March 2020.

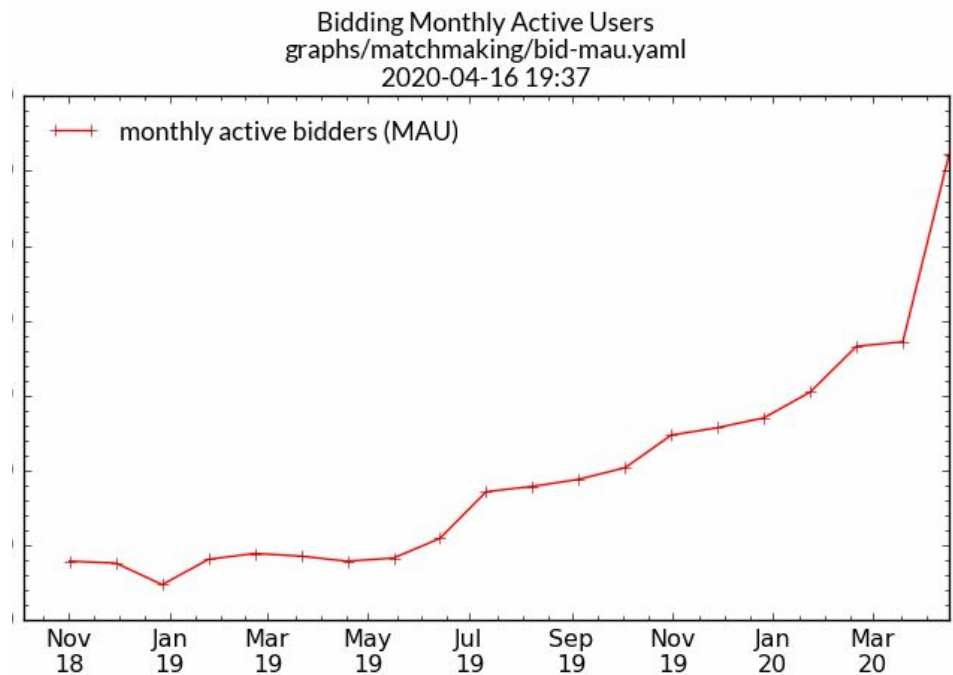


Figure 6: Active monthly users bidding per month

With the increase in active bidders has come deflation in the marketplace in terms of average bid amount (US\$ equivalent).

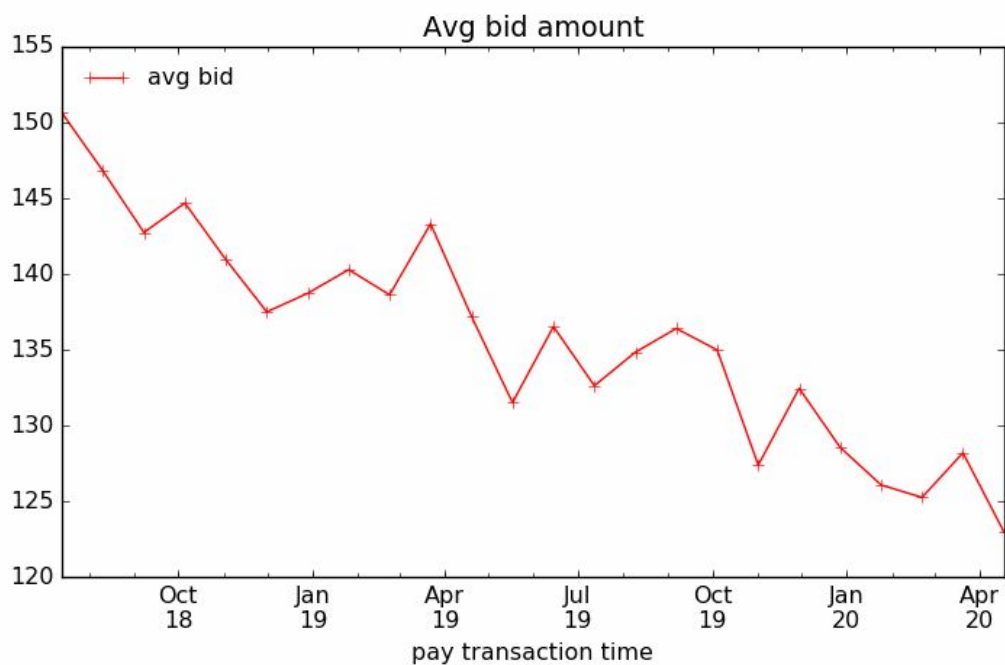


Figure 7: Average bid amount (USD equivalent)

However this has not transmitted to average completed project size, which has been generally rising.

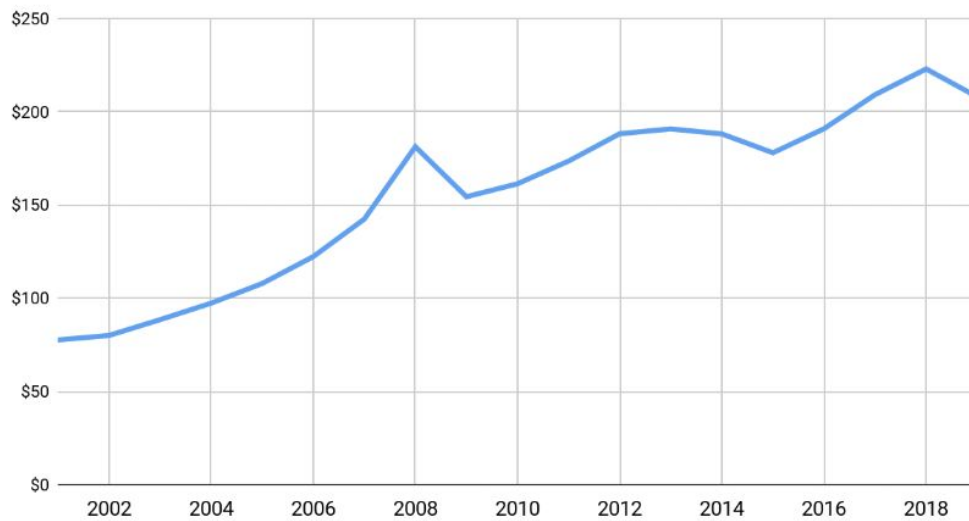


Figure 8: Average completed project size over time (USD equivalent)

Product Development

In Q1 2020, the primary focus of the product team was on continuing the effort to modernise the front-end of our web application, with the release of new versions of the job posting page, the freelancer profile pages and the freelancer portfolio pages. Q1 2020 also saw a heavy focus on ensuring all of these new pages released are fully mobile responsive, and this effort will continue into Q2 2020 when we expect to deprecate and remove our legacy m.freelancer.com mobile website, starting with the logged-out portions first. We expect this effort to deliver gains in Search Engine Optimisation (SEO) and mobile conversion rates.

In the quarter we improved the experience of viewing work that was performed on Freelancer.com improving file, image, audio and video support.

HOME > FREELANCERS > ZAHIDF > UI/UX DESIGN | APP USER INTERFACE

UI/UX Design | App User Interface



Zahid F. @zahidf

★ 5.0 (195 reviews) 6.7 \$

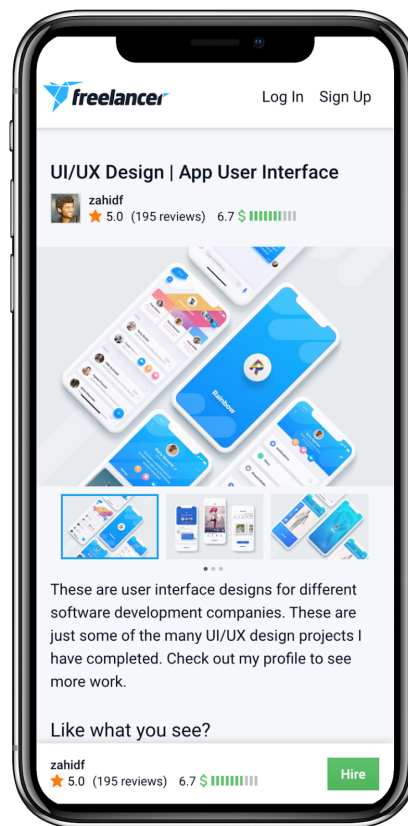


Figure 9: The new mobile responsive portfolio item page

As mentioned in previous quarterly results commentary, over a year ago we embarked on a major technical front-end overhaul which has consumed a large portion of our engineering resources that has not been working on enterprise. We believe this modernisation effort will pay significant dividends in future years, with a dramatic reduction in page load times into the sub-second regime, clear improvements in developer productivity and thus product release velocity, and the ability to modernise our approach to delivering Freelancer.com to mobile devices with a much higher quality, fully featured offering.

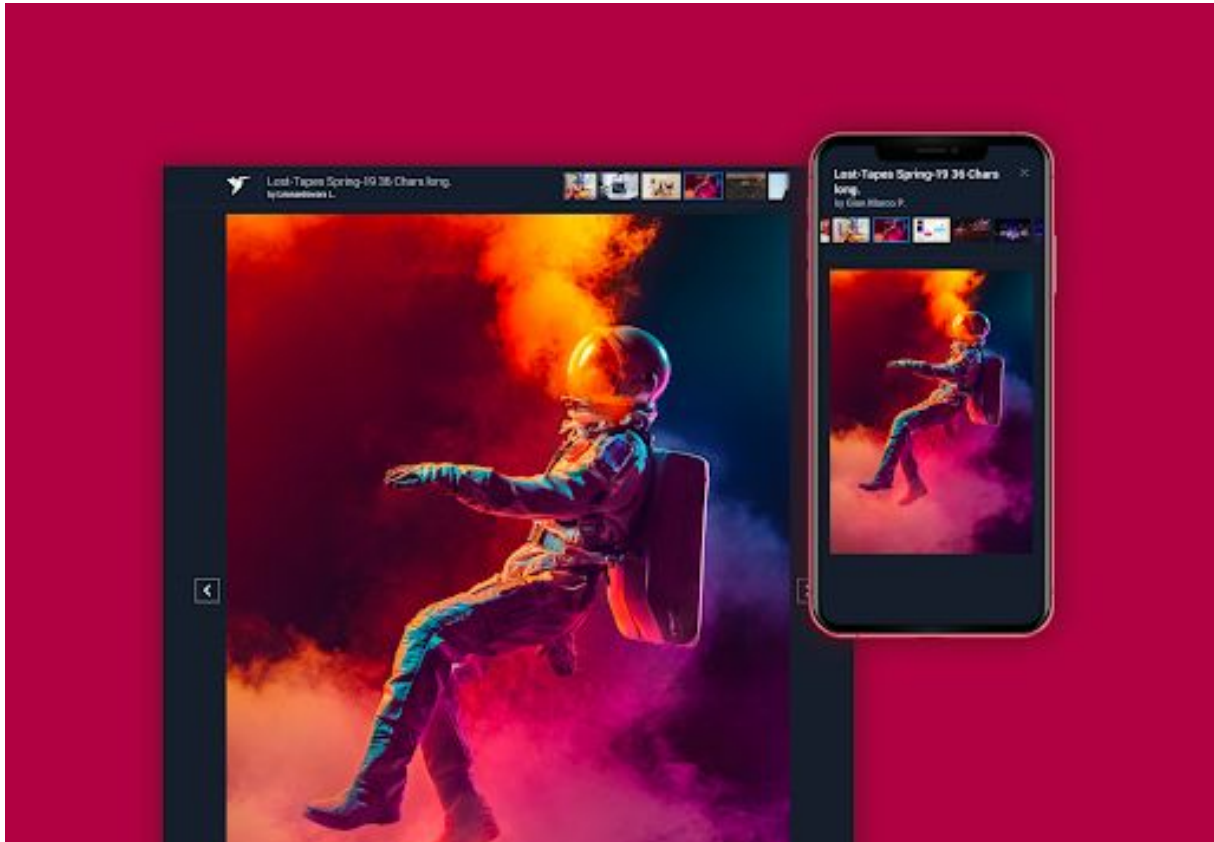


Figure 10: Improvements to the UX for display of media

We continue to invest product and development resources into our enterprise offering, and those efforts are paying off with an increasing sales velocity and depth of pipeline. In Q1 2020, the base enterprise offering has been expanded with the introduction of new features that allow for smooth onboarding, integration and management including Single Sign On (SSO) and others related to billing, contract management and analytics.

Another focus in Q1 2020 was the hourly payment system and associated Freelancer Desktop App. Through various bug fixes and small improvements, we have seen growth in tracked hours through the app, lifting by 21% on the previous corresponding period.

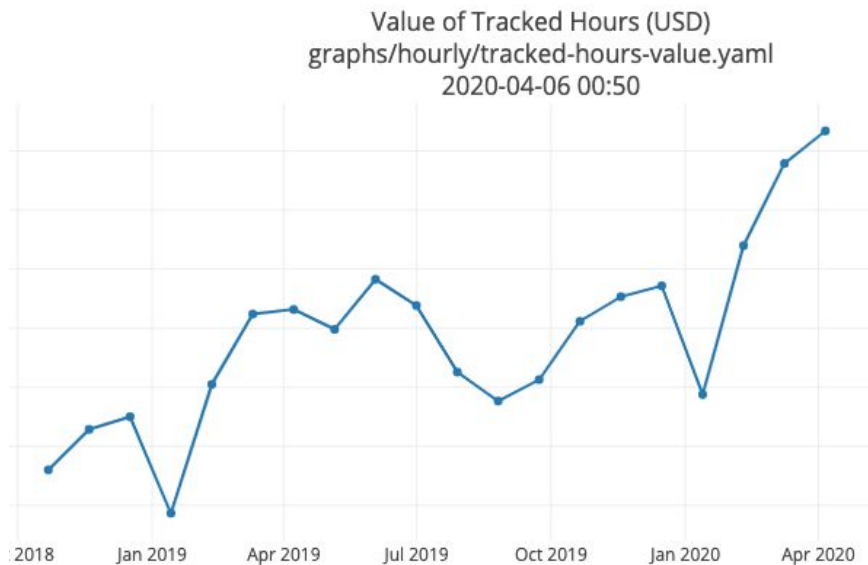


Figure 11: Value of Tracked Hours (USD)

Managed Services

Recruiter is Freelancer.com's flagship managed service, with a global presence they are able to provide 24x7 coverage to ensure we can assist our clients anytime, anywhere. Utilizing custom made tools, and optimizing on top of our standard matchmaking algorithm, our team works with our clients to outline budget and requirements before consulting our exclusive pool of Preferred Freelancers.

In Q1 we continued to see growth in total projects utilizing the service, up 10% from 4Q19, and 35% on the previous corresponding period. Through expanding the visibility of our service to more clients, the Recruiter service was able to increase their capacity to assist and convert more users. Simultaneously, the Preferred Freelancer program, the elite top 1% of the platform, has grown PFP user engagement by 10% from 4Q19, and the total number of participants in the program by 15% since 1Q19.

Recruiter continues to be the top pick for high value clients using the Freelancer.com platform, and for high quality freelancers to find work. In 2Q20 we expect to release further optimisations to the tooling for our internal teams to assist our clients.

“

We joined the Freelancer platform approximately 3 years ago and became a preferred team about a year in. Since joining the program, we have seen rapid growth in new clients. This has given us the opportunity to scale to more than 20 people. The Preferred Program is the number one source of our income.

Through working with the Recruiter team we have been able to connect with some amazing clients. Many of these clients have gone on to do continued work through the Freelancer.com platform.

- Mateo, CEO, BrightDock



Figure 12: Testimonial from a preferred freelancer

Local Jobs / Field Services


We have continued to develop our local jobs / field services offering, 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 13: Local Jobs / field services

Finally, 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.

Project Location

 London, UK
 5 St Germain St, Huntingdon PE29 3FG, UK

Date

May 31, 2020

Equipment

☐ Nokia training
 ☐ Ericsson Training
 ☐ ID card
 ☐ Huawei training

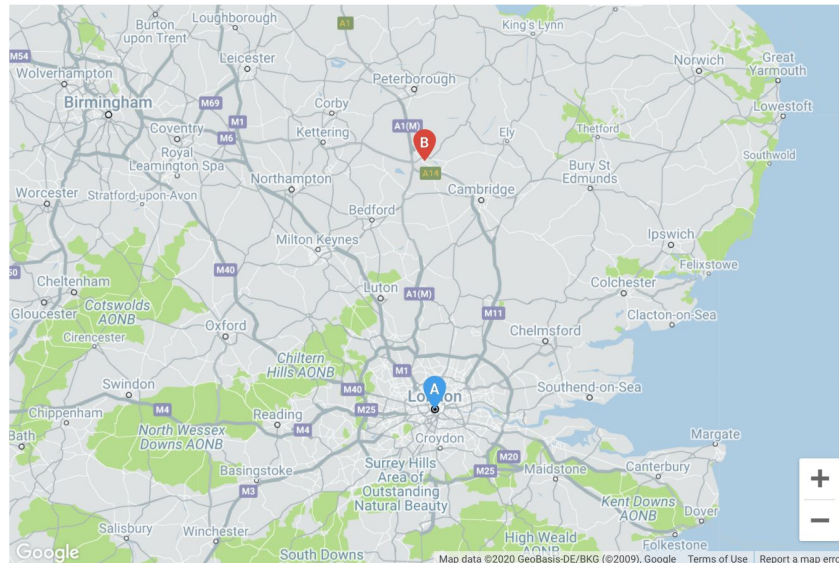


Figure 14: Local Jobs / field services project page

Freelancer Enterprise

We continued to sign Master Services Agreements which included, of note, a global communications firm and global fast moving consumer goods company. Note that none of our default MSAs have minimum volume commitments.

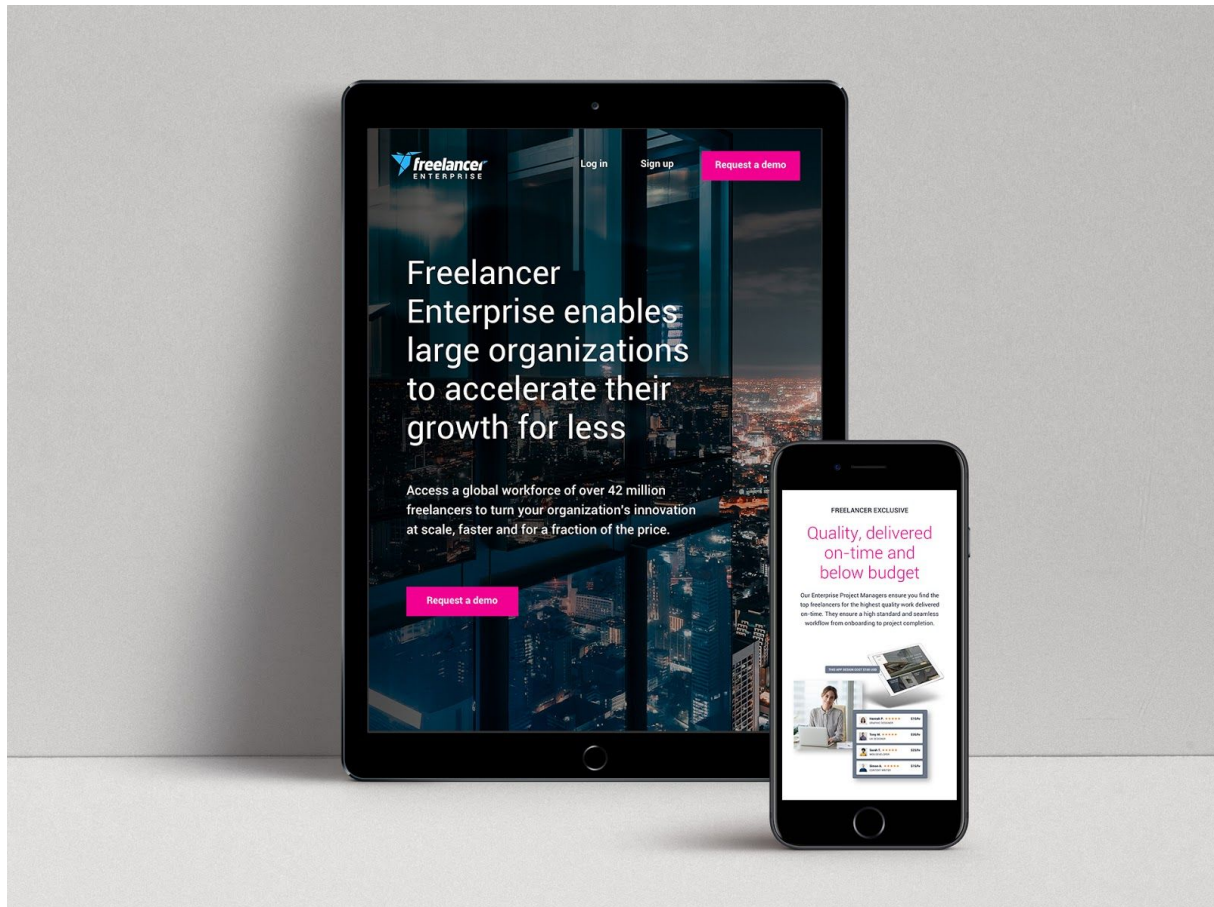


Figure 15: Freelancer Enterprise

In 1Q20 the Enterprise division has continued to build out the core offering while working with strategic partners to create solutions to their workforce scaling problems.

The base enterprise offering has been expanded with features that allow enterprises to easily onboard and manage their users using the enterprise's existing Single Sign On (SSO) authentication. There have also been improvements throughout our project flow allowing companies to more easily track their expenses via billing codes or purchase orders. We can now also allow enterprises custom agreements to be required to be signed before a Freelancer submits a proposal for a project. We have also created a generalized dashboard to allow privileged enterprise administrators access to a partner dashboard where they can track the status of all the projects within their enterprise.

Our product is also now being touted by customers internally as part of their "Covid-19" strategy. One example of this is Deloitte, who as of April 2020 has now over 13,000 users onboarded onto the Deloitte MyGigs platform developed by Freelancer.



Figure 16: Deloitte MyGigs by Freelancer

In the quarter we also commenced another pilot with a FAANG technology company for photography across the US, as well as pilots with a global telecommunications company and airline.

We continue to be delivering high quality and cost efficient results for increasingly sophisticated projects using our marketplace. For example, in 1Q20 our freelancers produced deliverables in machine learning and deflectometry for a global aerospace company.

Application Programming Interface (API)

The API team at Freelancer serves two primary audiences: the internal teams who build the Freelancer platform and third parties, such as Airbus, who interact with the Freelancer marketplace via the API. While the API team continued to build out the API for enterprises and other third party partners throughout the quarter, a special focus was placed on increasing the productivity of internal teams. This led to the release of numerous improvements to the continuous integration pipeline, increased coordination between development and quality assurance teams, and a shorter software development lifecycle.

The API team has also been busy developing sample applications to showcase the many ways in which the API can be leveraged by partners. The first of these will be launched next quarter.

Compliance

The product team continues to devote significant amounts of time to fulfilling compliance requirements, which given we operate in every jurisdiction where we are legally able, requires that we are constantly modifying the product to deal with ever increasing regulation. In Q1 2020 centered around complying with new tax regulation, with India a particular focus. While a burden, in the longer run this will strengthen our position against new entrants.

Escrow.com



Escrow.com achieved an all-time record Gross Payment Volume of \$166.5 million (up 5.2% on pcp, unaudited) in 1Q20. In US dollars it was \$110.1 million.

Transaction growth was driven by continued expansion in partnerships in our most popular categories, domain names and IPv4 addresses. In Q1 Australian domain name registrar Flippa began processing all sales exclusively through Escrow.com, while in the IPv4 market Escrow.com continues to see a 70% market share of North American brokers.

Escrow.com quarterly GPV (US\$)

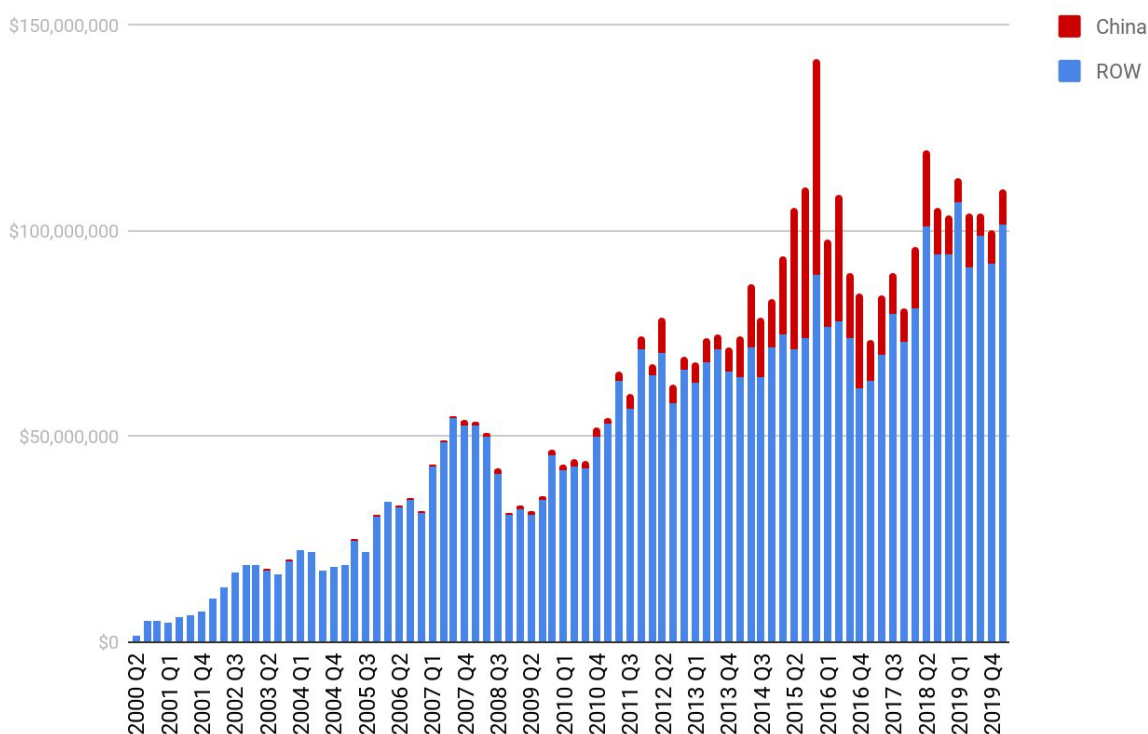


Figure 17: Escrow Gross Payment Volume (USD) by Quarter (China and Rest of World)

Canadian dollar support was piloted in 2019 with a key partner and in 1Q20 we received a money services business license in Quebec, completing Canadian licensing.

We are now licensed or otherwise approved to operate in the United States in 48 states after being granted a money transmission license in Alabama in 1Q20.

Escrow.com's application for an Authorised Payments Institution (API) license in the United Kingdom was finally submitted just after the end of 1Q20. The application required substantial work on a series of frameworks and policies for the UK including anti-money laundering, compliance, privacy, risk management, security, and outsourcing.

Building partnerships into new verticals

New partnership activity is at an all time high, we are actively integrating with two major automotive marketplaces in North America, a commercial vehicles marketplace, an art marketplace and multiple marketplaces for the sale and distribution of Personal Protective Equipment (PPE).

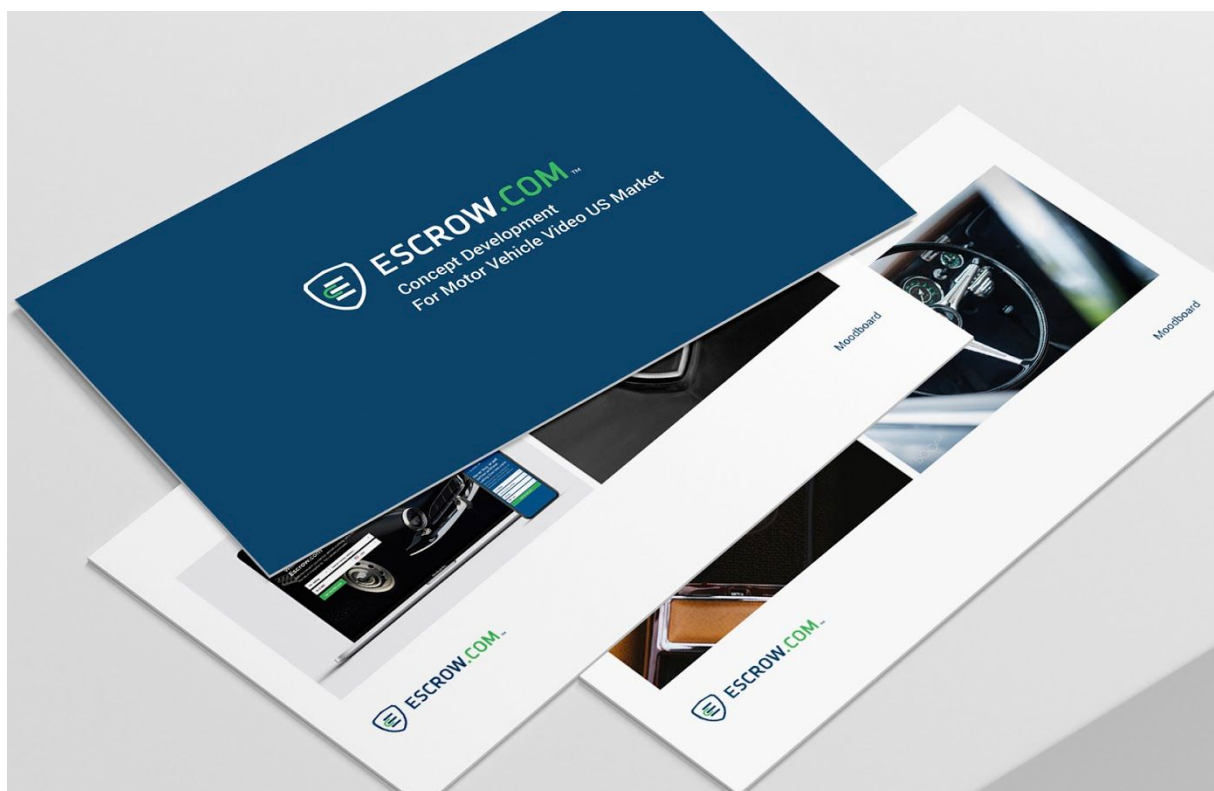


Figure 18: Escrow concept development for the US Automotive market

As of the writing of this update Covid-19 has turned into a global pandemic, creating a greater need than ever for businesses and consumers to be able to transact online with confidence. Escrow.com has seen a rapid growth in the number and size of transactions for PPE as regular supply chains come under stress.



Figure 19: Escrow.com is seeing a number of transactions being set up for the sale of PPE.

Using our unique position of seeing transactions across multiple global marketplaces, Escrow.com is working with a number of journalists to expose fake websites set up by scammers selling PPE. Most recently published in Mashable: [“Coronavirus sparks black market filled with fake and stolen N95 face masks”](#). We expect the demand for equipment and machinery to continue to stretch regular supply chains leading to a need for escrow services in this area throughout 2020.

Coronavirus sparks black market filled with fake and stolen N95 face masks

 Share on Facebook  Share on Twitter 



IMAGE: GETTY IMAGES

BY MATT BINDER

APR 11, 2020

Every country in the world is competing to buy N95 face masks to deal with the coronavirus pandemic.

And scammers are trying to cash in.

[Escrow.com](#) General Manager Jackson Elsegood broke down how much money may have been spent on what is essentially a face mask black market.

Figure 20: Mashable article on Escrow.com

Startcon

The year 2019 was Startcon's tenth year and saw the highest audience attendance to date (up 14% YoY to 4,300 attendees over the two days). It was also a successful year for speakers, including a widely reported on appearance by the Hon. Malcolm Turnbull, the 29th Prime Minister of Australia, Dr Christyl Johnson, the Director of NASA's Goddard Space Center and US Libertarian Presidential Candidate John McAfee. Startcon will not be running in 2020 due to Covid-19, which will improve group earnings by approximately \$0.5 million.



Figure 21: The Hon. Malcolm Turnbull major keynote at Startcon 2019

Annual Report

The annual report is scheduled to be released on the 24th April.



Figure 22: The 2019 Annual Report to be releases April 24th 2020

Conclusion

The group had positive net operating cash flow of \$0.5 million for the quarter. It ended 1Q20 with cash and cash equivalents of \$34.9 million, up 9.0% on 4Q19.

For more information please contact:

Neil Katz
Chief Financial Officer
Freelancer Limited
investor@freelancer.com

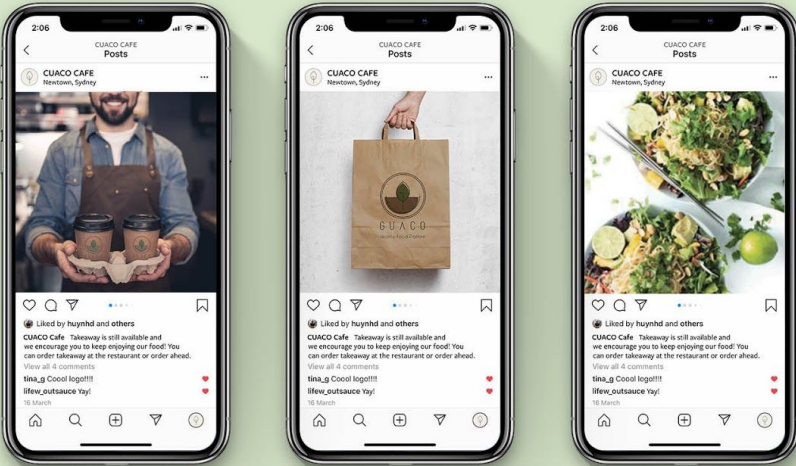
Forward-looking statements

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.

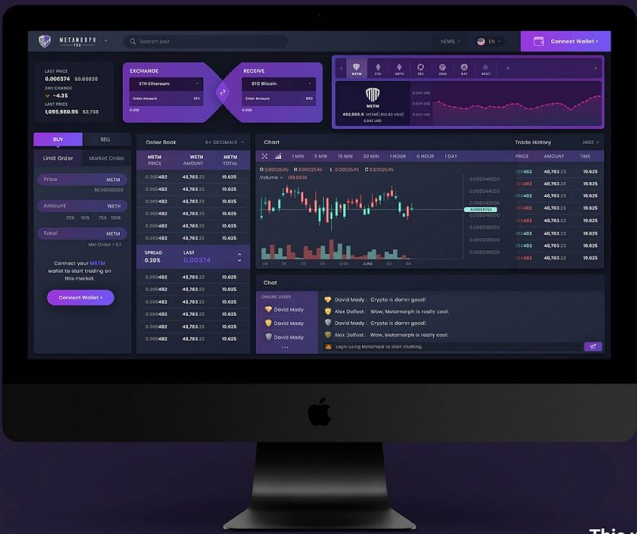
About Freelancer

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 42 million registered users have posted over 17 million projects and contests to date in over 1,600 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\$4.3 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.

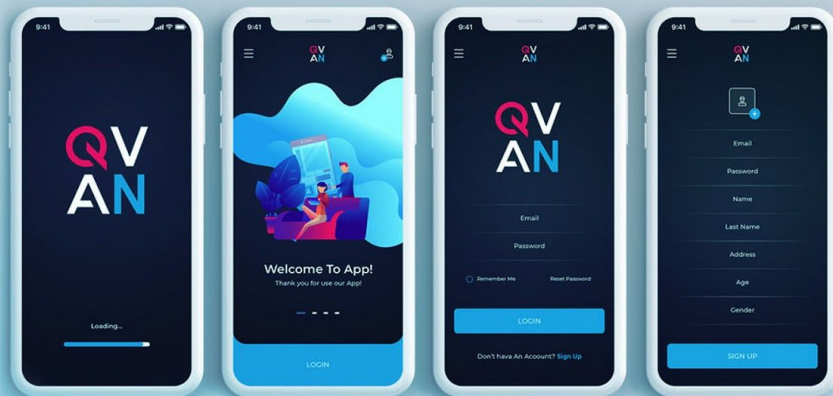
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These social media posts cost **\$15 USD** and took 1 day to make

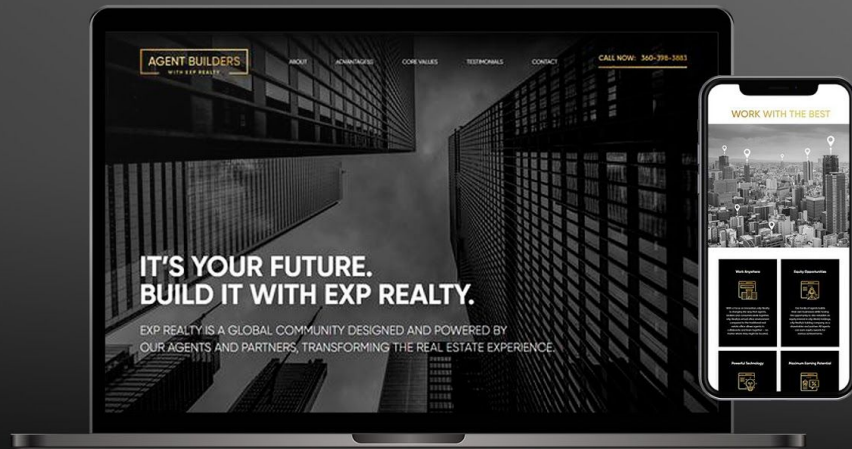


This website app cost **\$530 USD** and took 7 day to design



This mobile app design cost
and took 4 days to make

\$400 USD



This website design cost
and took 6 days to make

\$275 USD

mifri



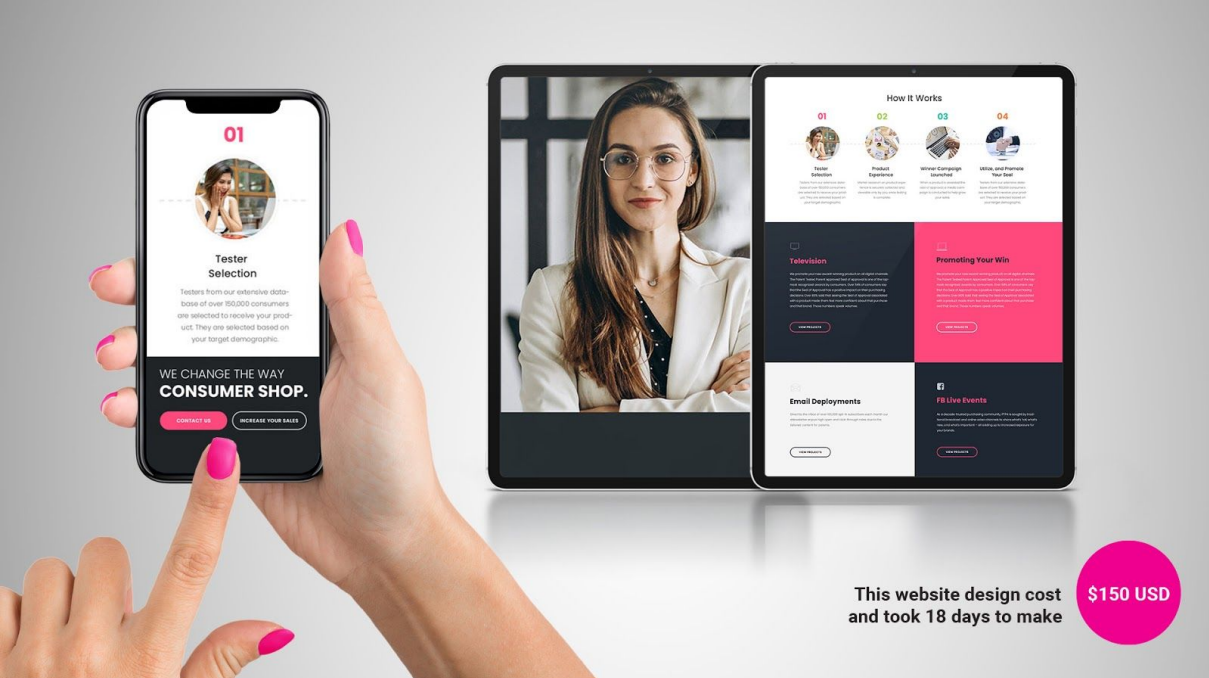
This logo design cost
and took 2 days to make

\$35 USD




This packaging design cost
and took 3 days to make

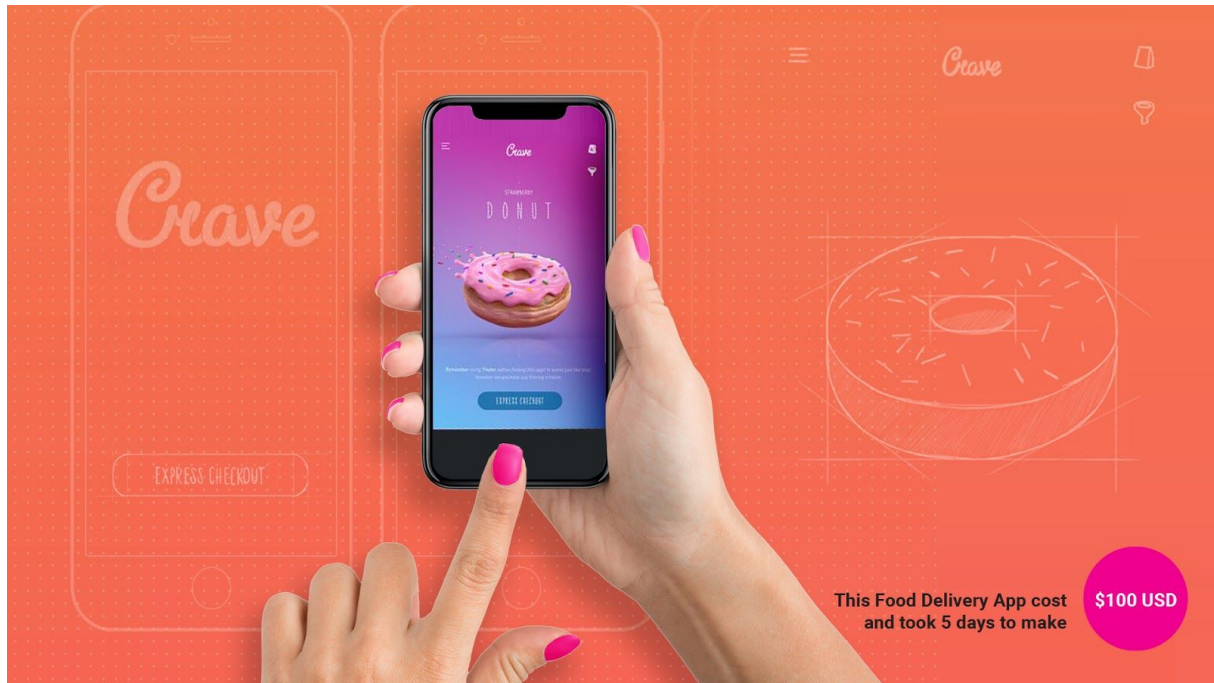
\$20 USD



This website design cost \$150 USD and took 18 days to make



This illustration cost \$60 USD and took 1 day to make



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")

31 March 2020

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities			
1.1 Receipts from customers		13,852	13,852
1.2 Payments for			
(a) research and development			
(b) product manufacturing and operating costs		(1,919)	(1,919)
(c) advertising and marketing		(2,393)	(2,393)
(d) leased assets			
(e) staff costs		(5,742)	(5,742)
(f) administration and corporate costs		(3,123)	(3,123)
1.3 Dividends received (see note 3)			
1.4 Interest received		7	7
1.5 Interest and other costs of finance paid		(65)	(65)
1.6 Income taxes paid		(58)	(58)
1.7 Government grants and tax incentives			
1.8 Other (provide details if material)		(91)	(91)
1.9 Net cash from / (used in) operating activities		468	468
2. Cash flows from investing activities			
2.1 Payments to acquire:			
(a) entities			
(b) businesses			
(c) property, plant and equipment		(50)	(50)
(d) investments			
(e) intellectual property			
(f) other non-current assets			

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment		
	(d) investments		
	(e) intellectual property		
	(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)		
2.6	Net cash from / (used in) investing activities	(50)	(50)

3.	Cash flows from financing activities		
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		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other – lease liabilities	(884)	(884)
3.10	Net cash from / (used in) financing activities	(884)	(884)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	32,014	32,014
4.2	Net cash from / (used in) operating activities (item 1.9 above)	468	468
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(50)	(50)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(884)	(884)
4.5	Effect of movement in exchange rates on cash held	3,361	3,361
4.6	Cash and cash equivalents at end of period	34,909	34,909

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	31,488	31,210
5.2	Call deposits	3,421	804
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	34,909	32,014

6. Payments to related parties of the entity and their associates

6.1 Aggregate amount of payments to related parties and their associates included in item 1 – Directors

6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter
\$A'000**

157

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

Amounts included in 6.1 relate to compensation paid to directors in the quarter

7. Financing facilities

Note: the term "facility" includes all forms of financing arrangements available to the entity.

Add notes as necessary for an understanding of the sources of finance available to the entity.

7.1 Loan facilities

7.2 Credit standby arrangements

7.3 Other (please specify)

7.4 **Total financing facilities**

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000

7.5 **Unused financing facilities available at quarter end**

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.

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	468
8.2 Cash and cash equivalents at quarter end (Item 4.6)	34,909
8.3 Unused finance facilities available at quarter end (Item 7.5)	-
8.4 Total available funding (Item 8.2 + Item 8.3)	34,909
8.5 Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	74.6

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

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:

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:

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:

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 April 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.