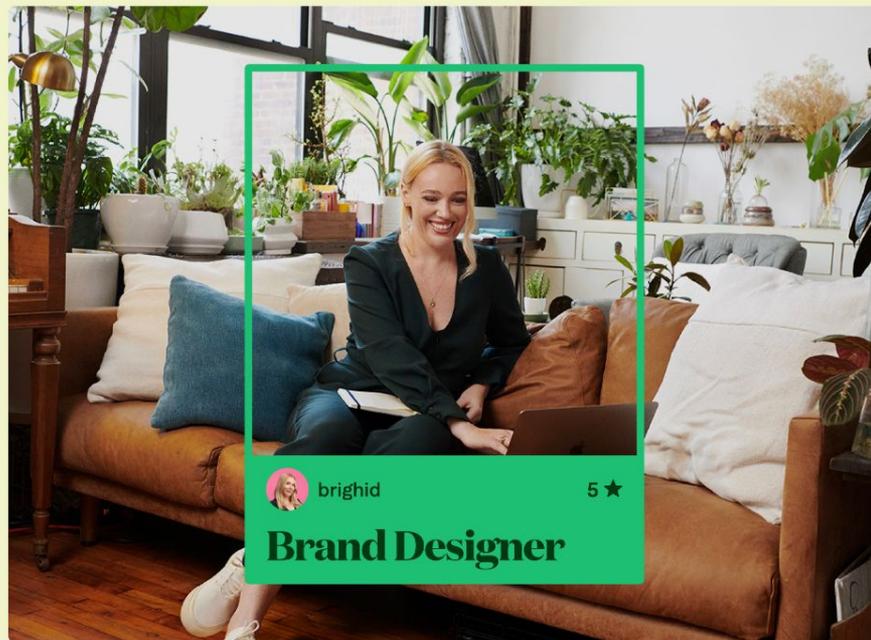


fiverr.

Company Presentation

November 2024



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Investment *highlights.*

1

Large market opportunity with low online penetration

2

Our unique e-commerce approach creates efficiency and transparency

3

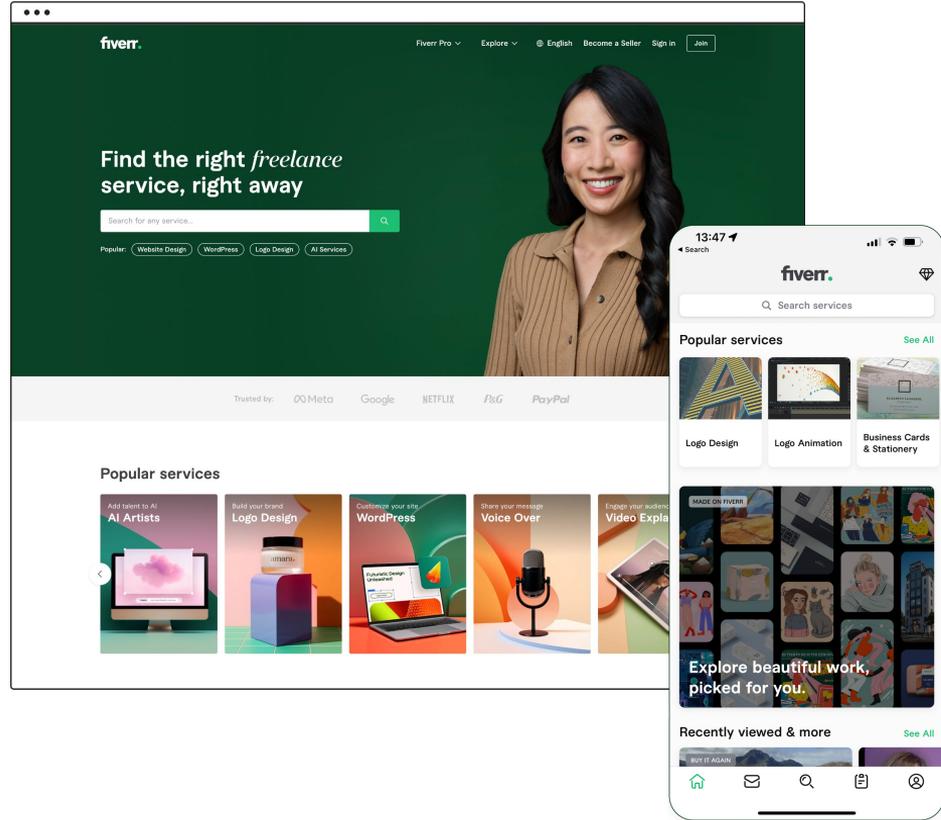
Powerful business model with high take rate, strong cohort, and marketing efficiency

4

Growth and operating leverage creates strong cash generation

Fiverr is a leading platform that connects businesses with talent

Fiverr is a *global marketplace* that connects freelancers and businesses for **digital services** from graphic design and copywriting to voice over, music, AI services and coding, film editing, and much more.



Fiverr at a glance

**Our mission is to
change how the world
works *together*.**

2010

Fiverr was founded

Global

Office in NYC, Orlando and HQ in Tel Aviv

IPO

June 13, 2019 (NYSE: FVRR)

775

Employees as of December 31, 2023

\$361M

FY23 revenue, up 7% y/y

Large market
opportunity



The world is
changing and the
way people *work* is
changing with it.

Traditional workplace

Long-term employment

Work from the **office**

Local teams

Work **offline**

Work full time, receive **monthly salary**

Study young, **standard profession**

Stability

Future of work

Experience building and **freelancing**

Work from **anywhere** (nomads, co-working)

Global & remote teams

Work **digitally**, leveraging collaboration tools

Get paid for action and **results**

Continuous study, gain unique expertise

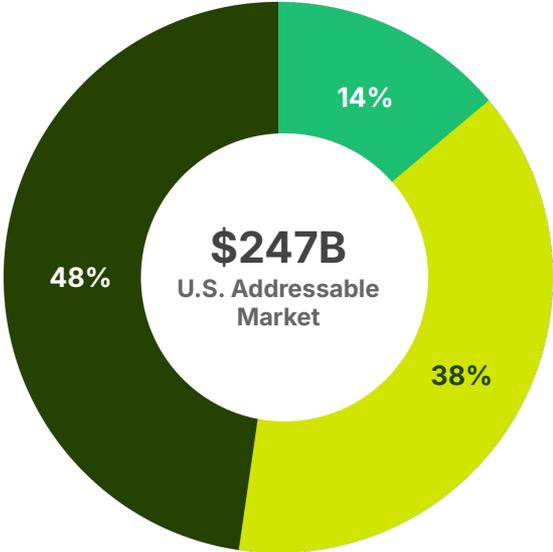
Fulfillment

Large Market Opportunity

2021 Estimated Income for U.S. Independent Skilled Creative, Technical, and Professional Services

[Freelance Economic Impact Report](#)

- Creative
- Technical
- Professional



C - Motion Picture and Video Industries, Sound Recording Industries, Photographic Services, Independent Artists, Writers, and Performers, Photofinishing.

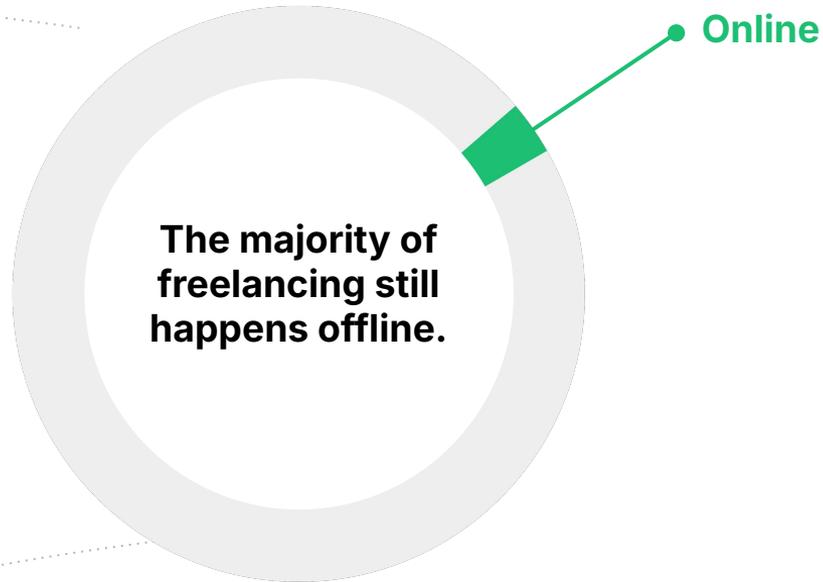
TS - Data Processing, Hosting, and Related Services, Other Information Services, Architectural Services, Landscape Architectural Services, Engineering Services, Drafting Services, Geophysical Surveying and Mapping Services, Specialized Design Services, Computer Systems Design and Related Services, Translation and Interpretation Services, All Other Professional, Scientific, and Technical Services.

PS - Legal Services, Accounting, Tax Preparation, Bookkeeping, and Payroll Services, Management, Scientific, and Technical Consulting Services, Advertising, Public Relations, and Related Services, Marketing Research and Public Opinion Polling, Office Administrative Services, Document Preparation Services, All Other Business Support Services, Educational Services.

Source: U.S. Census Bureau. Non-Employer Statistics (NES) and Rockbridge Associates

Freelancing is still an *old-school* business.

Just like e-commerce in 1994, freelancing activity is gradually migrating to the online world.



Source: Staffing Industry Analysts (SIA), McKinsey, US Census of Bureau

High friction in *traditional* freelancing business.

Every stage of the process has traditionally been disconnected, with little consistency from person to person.

Buyers

From **finding**
The right talent

To **collaboration**
and **support**
during transaction

To **reference**
and **trust**

To **negotiating**
the deal

Freelancers

From **finding**
customers

To **winning**
jobs

To **payment**
uncertainty

To **delivery**
and **payment**

Our unique
e-commerce
approach



Our *e-commerce* approach to freelancing.



Service-as-a-Product model

To buy and sell **digital services** as simple as buying on Amazon with a comprehensive SKU-like service catalog.



On-demand

No hiring process. No long-term commitment. Getting businesses help when they need it.



End-to-end platform

So **businesses** can focus on meeting deadlines and **freelancers** can focus on doing what they love.



Global community

Bringing together a **global community of businesses and freelancers** to shape the future of work.

**We are *not* an
online staffing
company.**

Staffing company

Short/long term temporary employment

Bidding, vetting and contract negotiation

Opaque and non-standardized
scope, timing and cost

Connection only

Fiverr

Service-as-a-product (SaaP)

Browse, search, click to order

Transparent timing, price
and deliverables

End-to-end platform

Our value to *buyers*



Transparency and certainty of price, scope of work and quality and speed



Value for money



Access to an expansive catalog of digital services



Access to a diverse pool of freelancers



Trusted brand for customer service

Buyer NPS: **64**



NPS: Net Promoter Score, for full year ending December 31, 2023

Our value to *sellers*



No bidding / negotiation to win projects



Maximize deal-flow



Flexibility and control



Frictionless payment and business support



Credentialed storefront



Success management and support

Seller NPS: **79**

Our two-sided marketplace creates powerful flywheel effects.



Powerful business model



rooted

LIVE,
HAPPY,
HEALTHY
PLANTS



How Fiverr *works*.

An illustrative example of a \$100 transaction on core marketplace.

Service
Catalog

A seller lists a service for \$100

Under our SaaS model, sellers list their service offerings on our marketplace first. Each Gig has well defined scope of work, time of delivery, price, and other spec of the service. Millions of these gigs make up our extensive service catalog, which buyers use to search and browse to find the exact service they are looking for.

Order

The buyer pays \$105.50 to Fiverr

Once the buyer navigates through our catalog and finds the service they want, they place the order and pay Fiverr the cost of the gig plus the service fee, which is 5.5% of the purchase amount. For purchases under \$100, buyers pay an additional \$3.00 small order fee.

Fulfillment

Work starts immediately upon order

Upon order, Fiverr prompts the buyer to send the seller the files required in the gig description, along with a briefing document with instructions. Once received, the seller can start to work on the project immediately. They can also communicate and collaborate during the course of project through our platform.

Delivery &
Payment

Fiverr pays the seller \$80

14 days after the delivery of the project, if no issue raised by the buyer, Fiverr makes 80% of the transaction value available for seller to withdraw.

Our Strategy.



Global



Horizontal



Organic network effect drives **majority** of new buyers



Target audience:
SMBs, or **“zero to enterprise”**
as we call it



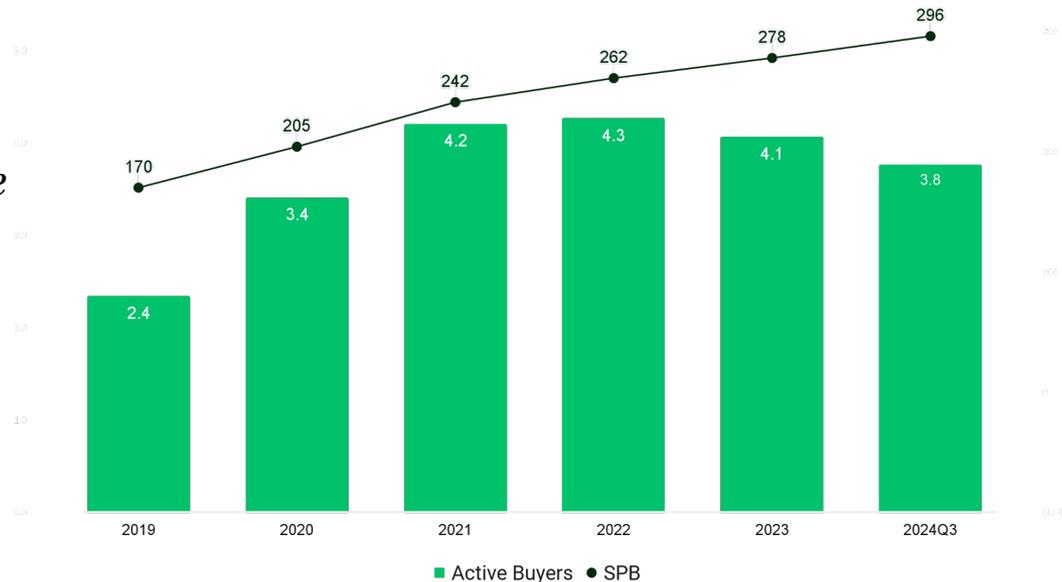
High value creation from transaction #1



Drive **high LTV** with **repeat** and **cross-category** purchases

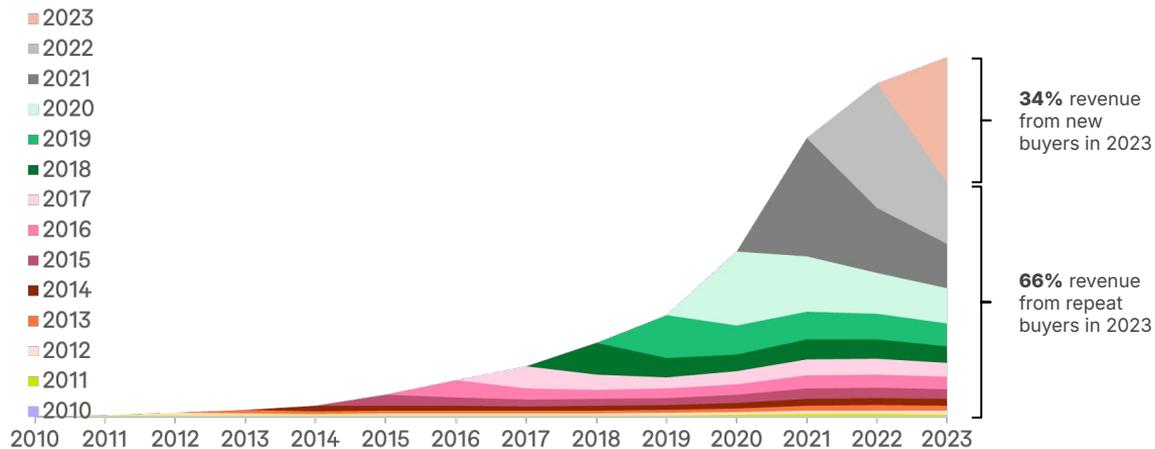
**Our large buyer base
continues to *spend more*
with us**

Active buyers (millions) / Spend per Buyer (\$)



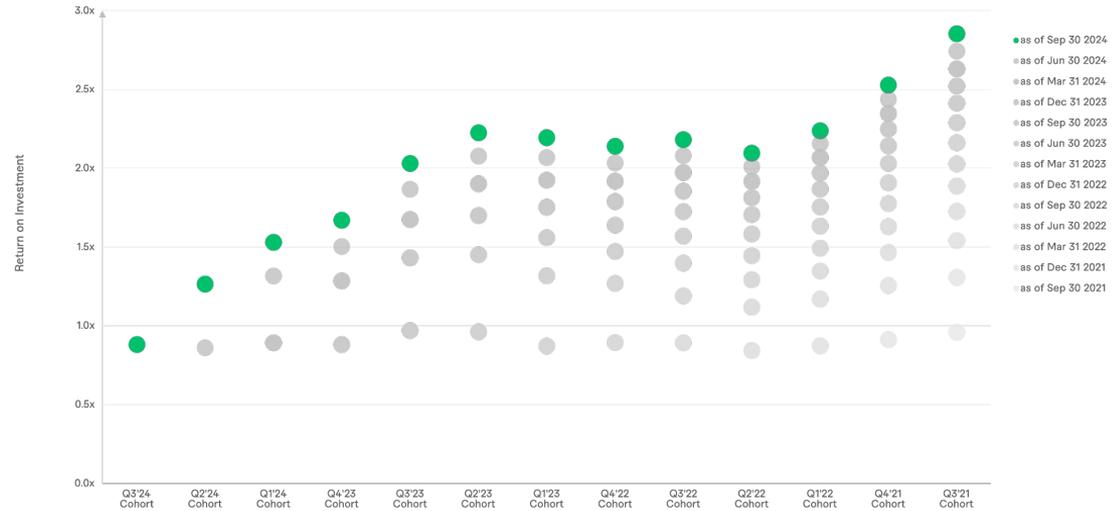
Consistent cohort behavior on core marketplace with majority of revenue from repeat buyers

Revenue composition by annual cohort 2010-2023



Increasing return on marketing investments over time, as cohorts remain active and continue to generate revenue streams

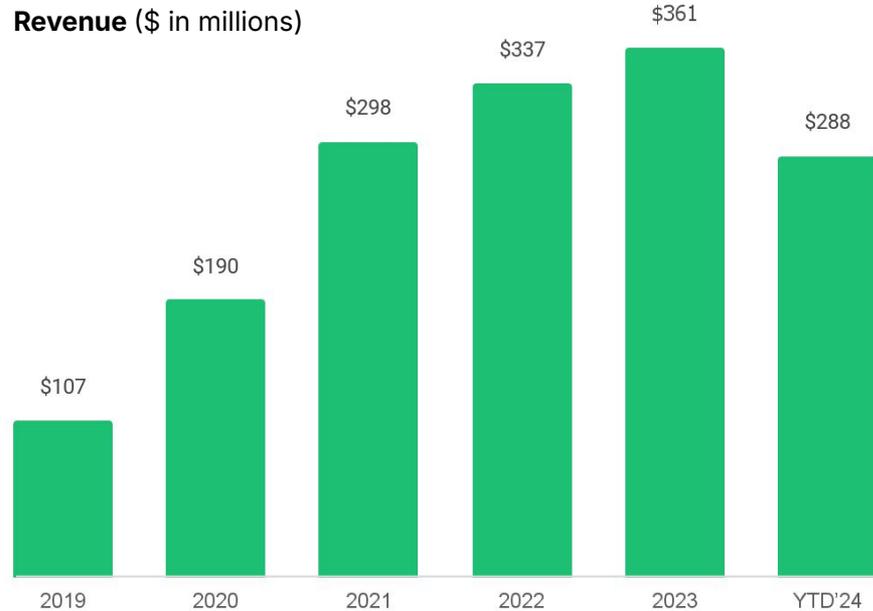
Cumulative revenue to performance marketing investment by cohort



Growth and operating leverage



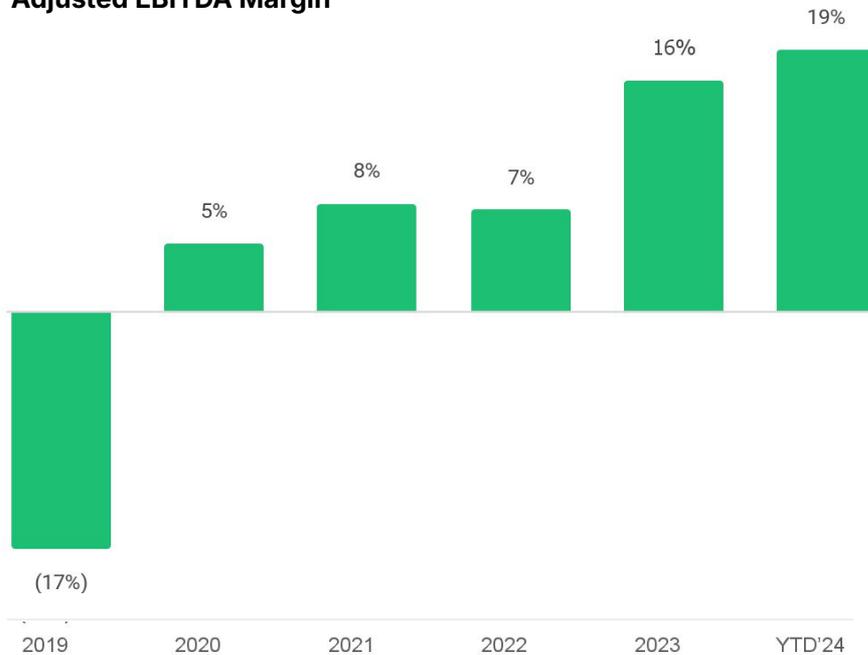
**Our marketplace has
scaled up significantly
since IPO**



YTD 2024 represents the three months ended 6/30/24

We have become *more profitable as well*

Adjusted EBITDA Margin



Note: Adjusted EBITDA margin is a non-GAAP metric. See the appendix to this presentation for a reconciliation against the nearest GAAP measure.

YTD 2024 represents the three months ended 6/30/24

Continue to drive efficiency towards *long-term target model*

~25%

Adjusted EBITDA margin 2027

\$300M+

Cumulative Free Cash Flow
2025-2027

+14%

Free Cash Flow
CAGR 2024-2027

Note: Adjusted EBITDA margin and non-GAAP operating expenses are non-GAAP metrics. See the appendix to this presentation for a reconciliation against the nearest GAAP measure. Some amounts in this presentation may not total due to rounding. All percentages have been calculated using unrounded amounts.

Multiple levers to drive *long-term growth*

Encompassing every aspect of the future of work



Innovate technology
& services



Bring new buyers
onto the platform



Move upmarket for
buyers & sellers



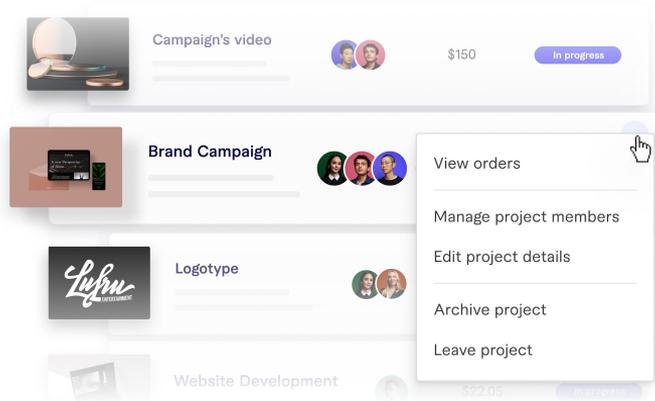
Expand our
Gig catalog



Expand
geographic
footprint

fiverr. Business Solutions

A dedicated environment for business buyers to transact and collaborate on Fiverr.



White-glove CSM service

Budget approval

Curated supply

Share favorite sellers

Collaboration tools

Project Partner



"The tight deadlines we've all suffered from are a thing of the past. We can share a presentation design brief late at night and have a fully-designed, high-quality presentation ready in the morning, and the price is more than just convenient."



Yael Brandt
Customer Development, Unilever

International Expansion

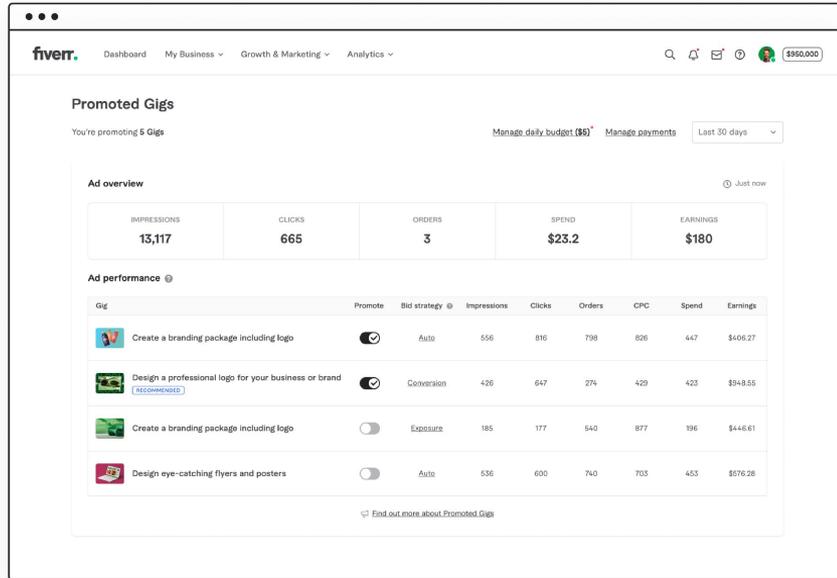
Expanding Fiverr's footprint to unlock growth potential in non-English speaking countries

Fiverr.com
available in:

- ✓ English
- Deutsch
- Español
- Français
- Português
- Italiano
- Nederlands

Promoted Gigs

CPC-based advertising platform that allows sellers to promote themselves on Fiverr.



carlovo

★★★★★ 4.9 (1k+ reviews)

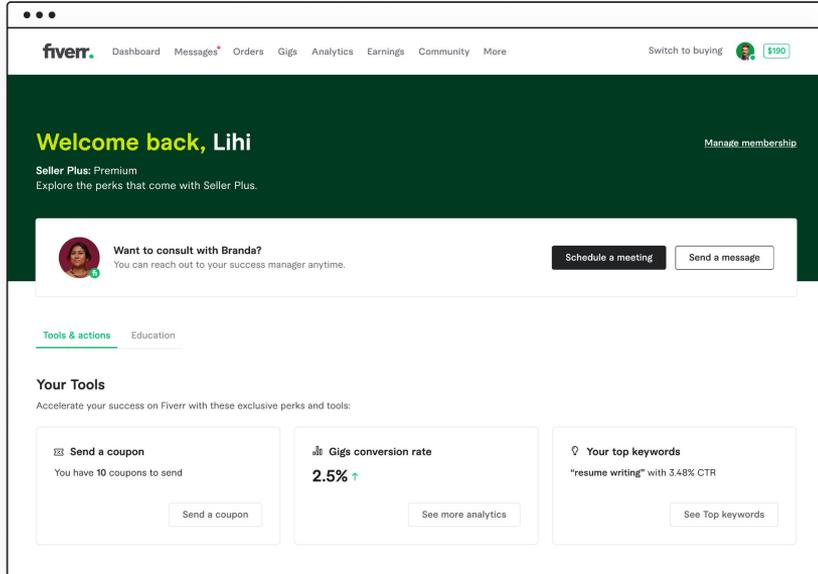
x3

monthly
income with
Promoted Gigs

The increased order flow allowed Christy to grow from a Level 1 Seller to a Top Rated Seller in less than a month, which in turn drove more organic traffic to her gigs as well.

Seller Plus

Subscription program with two tiers that provides sellers with tools and benefits to help accelerate their business on Fiverr.



Standard

- **Faster withdrawal option**
- **Advanced analytics**
- **Buyer activity insights**
- **Coupons and promotions**
- **Priority customer support**
- **Many more exclusive features**

Premium

- **All Standard tier benefits**
- **Early payout**
- **Dedicated success manager**
- **Top Rated review priority**
- **Additional coupons and promotions**

Appendix

Balance sheet GAAP

In \$ thousands

1/2

	September 30 2024	December 31 2023
	(Unaudited)	(Audited)
Assets		
Current assets:		
Cash and cash equivalents	\$ 159,245	\$ 183,674
Marketable securities	215,649	147,806
User funds	159,326	151,602
Bank deposits	124,835	85,893
Restricted deposit	1,315	1,284
Other receivables	36,248	24,217
Total current assets	696,618	594,476
Long-term assets:		
Marketable securities	164,149	328,332
Property and equipment, net	4,394	4,735
Operating lease right of use asset	5,761	6,720
Intangible assets, net	44,175	10,722
Goodwill	110,218	77,270
Other non-current assets	9,495	1,349
Total long-term assets	338,192	429,128
TOTAL ASSETS	\$ 1,034,810	\$ 1,023,604

Balance sheet GAAP

In \$ thousands

2/2

	September 30 2024	December 31 2023
	(Unaudited)	(Audited)
Liabilities and Shareholders' Equity		
Current liabilities:		
Trade payables	\$ 2,851	\$ 5,494
User accounts	148,288	142,203
Deferred revenue	19,606	11,047
Other account payables and accrued expenses	59,591	44,110
Operating lease liabilities	2,570	2,571
Total current liabilities	<u>232,906</u>	<u>205,425</u>
Long-term liabilities:		
Convertible notes	457,220	455,305
Operating lease liabilities	3,337	4,482
Other non-current liabilities	16,861	2,618
Total long-term liabilities	<u>477,418</u>	<u>462,405</u>
TOTAL LIABILITIES	<u>\$ 710,324</u>	<u>\$ 667,830</u>
Shareholders' equity:		
Share capital and additional paid-in capital	701,490	640,846
Accumulated deficit	(379,031)	(284,358)
Accumulated other comprehensive income (loss)	2,027	(714)
Total shareholders' equity	<u>324,486</u>	<u>355,774</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>\$ 1,034,810</u>	<u>\$ 1,023,604</u>

P&L GAAP

In \$ thousands, except loss per share data

	Three Months Ended September 30		Nine Months Ended September 30	
	2024	2023	2024	2023
	(Unaudited)		(Unaudited)	
Revenue	\$ 99,628	\$ 92,532	\$ 287,815	\$ 269,873
Cost of revenue	18,893	15,075	50,365	46,373
Gross profit	80,735	77,457	237,450	223,500
Operating expenses:				
Research and development	22,424	23,490	67,912	68,666
Sales and marketing	42,970	40,521	126,446	121,441
General and administrative	18,817	15,791	53,032	46,894
Total operating expenses	84,211	79,802	247,390	237,001
Operating loss	(3,476)	(2,345)	(9,940)	(13,501)
Financial income, net	6,881	5,678	22,044	13,249
Income (loss) before income taxes	3,405	3,333	12,104	(252)
Income taxes	(2,052)	(308)	(6,696)	(768)
Net income (loss) attributable to ordinary shareholders	\$ 1,353	\$ 3,025	\$ 5,408	\$ (1,020)
Basic net income (loss) per share attributable to ordinary shareholders	\$ 0.04	\$ 0.08	\$ 0.14	\$ (0.03)
Basic weighted average ordinary shares	35,435,532	38,164,996	37,426,914	37,668,006
Diluted net income (loss) per share attributable to ordinary shareholders	\$ 0.04	\$ 0.07	\$ 0.14	\$ (0.03)
Diluted weighted average ordinary shares	36,205,992	41,389,621	38,188,945	37,668,006

Cash flow GAAP

In \$ thousands

1/2

	Three Months Ended September 30		Nine Months Ended September 30	
	2024	2023	2024	2023
	(Unaudited)		(Unaudited)	
Operating Activities				
Net income (loss)	\$ 1,353	\$ 3,025	\$ 5,408	\$ (1,020)
Adjustments to reconcile net loss to net cash provided by operating activities:				
Depreciation and amortization	3,392	1,321	6,148	4,700
Exchange rate fluctuations and other items, net	(106)	291	60	285
Amortization of premium and accretion of discount of marketable securities, net	(858)	(123)	(3,106)	1,111
Amortization of discount and issuance costs of convertible notes	640	635	1,915	1,904
Shared-based compensation	18,464	17,557	55,922	51,906
Changes in assets and liabilities:				
User funds	(3,032)	(3,506)	(7,724)	(17,462)
Operating lease ROU assets and liabilities	82	(151)	(193)	(563)
Other receivables	(893)	(3,509)	(6,066)	(6,256)
Trade payables	(2,482)	1,060	(3,062)	(5,294)
Deferred revenue	673	852	1,791	1,683
User accounts	2,794	2,956	6,085	16,311
Account payable, accrued expenses and other	2,735	2,781	6,869	7,480
Revaluation of Earn-out	143	-	143	-
Escrow payment for contingent consideration	(12,168)	-	(12,168)	-
Non-current liabilities	130	210	1,012	852
Net cash provided by operating activities	10,867	23,399	53,034	55,637

Cash flow GAAP

In \$ thousands

2/2

	Three Months Ended September 30		Nine Months Ended September 30	
	2024	2023	2024	2023
	(Unaudited)		(Unaudited)	
Investing Activities				
Investment in marketable securities	-	(81,753)	(30,734)	(262,761)
Proceeds from maturities of marketable securities	25,258	69,485	133,855	232,406
Investment in short-term bank deposits	(10,112)	(43,138)	(46,350)	-
Proceeds from short-term bank deposits	1,862	-	8,213	15,613
Acquisition of business, net of cash acquired	(30,192)	-	(39,355)	-
Purchase of property and equipment	(290)	(223)	(977)	(918)
Capitalization of internal-use software and other	-	(44)	(20)	(57)
Other non-current assets	(300)	-	(300)	-
Net cash provided by (used in) investing activities	(13,774)	(55,673)	24,332	(15,717)
Financing Activities				
Repurchases of common stock	(22,980)	-	(100,081)	-
Proceeds from exercise of share options	530	218	2,360	2,401
Tax withholding in connection with employees' options exercises and vested RSUs	(240)	(20)	(20)	(76)
Repayment of debt to previous shareholder of the acquired business	(3,992)	-	(3,992)	-
Net cash provided by (used in) financing activities	(26,682)	198	(101,733)	2,325
Effect of exchange rate fluctuations on cash and cash equivalents	105	(286)	(62)	(249)
Increase (decrease) in cash, cash equivalents and restricted cash	(29,484)	(32,362)	(24,429)	41,996
Cash, cash equivalents and restricted cash at the beginning of period	188,729	162,247	183,674	87,889
Cash and cash equivalents at the end of period	\$ 159,245	\$ 129,885	\$ 159,245	\$ 129,885

RECONCILIATION OF GAAP TO NON-GAAP GROSS PROFIT

(In thousands, except gross margin data)

	<u>Q3'23</u>	<u>Q4'23</u> (Unaudited)	<u>Q1'24</u>	<u>Q2'24</u>	<u>Q3'24</u>	<u>FY 2022</u> (Unaudited)	<u>FY 2023</u> (Unaudited)
GAAP gross profit	\$ 77,457	\$ 76,029	\$ 78,076	\$ 78,639	\$ 80,735	\$ 271,418	\$ 299,529
Add:							
Share-based compensation	632	633	678	499	514	2,520	2,497
Depreciation and amortization	731	709	613	791	2,415	6,065	3,253
Earn-out revaluation, acquisition related costs and other	-	-	-	-	\$ 11	-	-
Non-GAAP gross profit	<u>\$ 78,820</u>	<u>\$ 77,371</u>	<u>\$ 79,367</u>	<u>\$ 79,929</u>	<u>\$ 83,675</u>	<u>\$ 280,003</u>	<u>\$ 305,279</u>
Non-GAAP gross margin	<u>85.2%</u>	<u>84.6%</u>	<u>84.9%</u>	<u>84.4%</u>	<u>84.0%</u>	<u>83.0%</u>	<u>84.5%</u>

RECONCILIATION OF GAAP NET INCOME (LOSS) TO NON-GAAP NET INCOME AND NET INCOME PER SHARE

(In thousands, except gross margin data)

	<u>Q3'23</u>	<u>Q4'23</u>	<u>Q1'24</u>	<u>Q2'24</u>	<u>Q3'24</u>	<u>FY 2022</u>	<u>FY 2023</u>
		(Unaudited)				(Unaudited)	(Unaudited)
GAAP net income (loss) attributable to ordinary shareholders	\$ 3,025	\$ 4,701	\$ 788	\$ 3,267	\$ 1,353	\$ (71,487)	\$ 3,681
Add:							
Depreciation and amortization	1,321	1,287	1,150	1,606	3,392	10,185	5,987
Share-based compensation	17,557	16,792	19,020	18,438	18,464	71,755	68,698
Impairment of intangible assets	-	-	-	-	-	27,629	-
Earn-out revaluation, acquisition related costs and other	-	(359)	9	109	1,273	(10,613)	(359)
Convertible notes amortization of discount and issuance costs	635	637	637	638	640	2,527	2,541
Taxes on income related to non-GAAP adjustments	-	-	-	(71)	(290)	-	-
Exchange rate (gain)/loss, net	98	42	128	(156)	(221)	(1,141)	(131)
Non-GAAP net income	<u>\$ 22,636</u>	<u>\$ 23,100</u>	<u>\$ 21,732</u>	<u>\$ 23,831</u>	<u>\$ 24,611</u>	<u>\$ 28,855</u>	<u>\$ 80,417</u>
Weighted average number of ordinary shares - basic	<u>\$ 38,164,996</u>	<u>\$ 38,501,155</u>	<u>\$ 38,756,151</u>	<u>\$ 38,089,060</u>	<u>\$ 35,435,532</u>	<u>\$ 36,856,140</u>	<u>\$ 38,066,203</u>
Non-GAAP basic net income per share attributable to ordinary shareholders	<u>\$ 0.59</u>	<u>\$ 0.60</u>	<u>\$ 0.56</u>	<u>\$ 0.63</u>	<u>\$ 0.69</u>	<u>\$ 0.78</u>	<u>\$ 2.11</u>
Weighted average number of ordinary shares - diluted	<u>41,389,621</u>	<u>41,440,827</u>	<u>41,758,840</u>	<u>40,909,724</u>	<u>38,359,853</u>	<u>40,662,057</u>	<u>41,304,907</u>
Non-GAAP diluted net income per share attributable to ordinary shareholders	<u>\$ 0.55</u>	<u>\$ 0.56</u>	<u>\$ 0.52</u>	<u>\$ 0.58</u>	<u>\$ 0.64</u>	<u>\$ 0.71</u>	<u>\$ 1.95</u>

RECONCILIATION OF GAAP NET INCOME (LOSS) TO ADJUSTED EBITDA

(In thousands, except gross margin data)

	<u>Q3'23</u>	<u>Q4'23</u>	<u>Q1'24</u>	<u>Q2'24</u>	<u>Q3'24</u>	<u>FY 2022</u>	<u>FY 2023</u>
		(Unaudited)				(Unaudited)	(Unaudited)
GAAP net income (loss)	\$ 3,025	\$ 4,701	\$ 788	\$ 3,267	\$ 1,353	\$ (71,487)	\$ 3,681
Add:							
Financial expenses (income), net	(5,678)	(6,914)	(6,661)	(8,502)	(6,881)	(3,624)	(20,163)
Income taxes	308	605	1,713	2,931	2,052	577	1,373
Depreciation and amortization	1,321	1,287	1,150	1,606	3,392	10,185	5,987
Share-based compensation	17,557	16,792	19,020	18,438	18,464	71,755	68,698
Impairment of intangible assets	-	-	-	-	-	27,629	-
Earn-out revaluation, acquisition related costs and other	-	(359)	9	109	1,273	(10,613)	(359)
Adjusted EBITDA	<u>\$ 16,533</u>	<u>\$ 16,112</u>	<u>\$ 16,019</u>	<u>\$ 17,849</u>	<u>\$ 19,653</u>	<u>\$ 24,422</u>	<u>\$ 59,217</u>
Adjusted EBITDA margin	<u>17.9%</u>	<u>17.6%</u>	<u>17.1%</u>	<u>18.9%</u>	<u>19.7%</u>	<u>7.2%</u>	<u>16.4%</u>

RECONCILIATION OF GAAP TO NON-GAAP OPERATING EXPENSES

(In thousands)

	<u>Q3'23</u>	<u>Q4'23</u>	<u>Q1'24</u>	<u>Q2'24</u>	<u>Q3'24</u>	<u>FY 2022</u>	<u>FY 2023</u>
		(Unaudited)				(Unaudited)	(Unaudited)
GAAP research and development	\$ 23,490	\$ 22,054	\$ 23,633	\$ 21,855	\$ 22,424	\$ 92,563	\$ 90,720
Less:							
Share-based compensation	6,227	5,836	6,836	5,897	5,273	23,828	24,310
Depreciation and amortization	196	191	201	193	190	801	799
Earn-out revaluation, acquisition related costs and other	-	-	-	-	700	-	-
Non-GAAP research and development	<u>\$ 17,067</u>	<u>\$ 16,027</u>	<u>\$ 16,596</u>	<u>\$ 15,765</u>	<u>\$ 16,261</u>	<u>\$ 67,934</u>	<u>\$ 65,611</u>
GAAP sales and marketing	40,521	39,767	42,152	41,324	42,970	174,599	161,208
Less:							
Share-based compensation	3,392	3,166	3,436	3,389	3,605	17,196	13,304
Depreciation and amortization	314	309	264	553	721	2,889	1,601
Earn-out revaluation, acquisition related costs and other	-	-	-	-	67	(24)	-
Non-GAAP sales and marketing	<u>\$ 36,815</u>	<u>\$ 36,292</u>	<u>\$ 38,452</u>	<u>\$ 37,382</u>	<u>\$ 38,577</u>	<u>\$ 154,538</u>	<u>\$ 146,303</u>
GAAP general and administrative	\$ 15,791	\$ 15,816	\$ 16,451	\$ 17,764	\$ 18,817	\$ 51,161	\$ 62,710
Less:							
Share-based compensation	7,306	7,157	8,070	8,653	9,072	28,211	28,587
Depreciation and amortization	80	78	72	69	66	430	334
Earn-out revaluation, acquisition related costs and other	-	(359)	9	109	495	(10,589)	(359)
Non-GAAP general and administrative	<u>\$ 8,405</u>	<u>\$ 8,940</u>	<u>\$ 8,300</u>	<u>\$ 8,933</u>	<u>\$ 9,184</u>	<u>\$ 33,109</u>	<u>\$ 34,148</u>

RECONCILIATION OF NET CASH USED IN OPERATING ACTIVITIES TO FREE CASH FLOW

(In thousands)

	<u>Q3'23</u>	<u>Q4'23</u>	<u>Q1'24</u>	<u>Q2'24</u>	<u>Q3'24</u>	<u>FY 2022</u>	<u>FY 2023</u>
		(Unaudited)				(Unaudited)	(Unaudited)
Net cash provided by operating activities	\$ 23,399	\$ 27,549	\$ 21,196	\$ 20,971	\$ 10,867	\$ 30,112	\$ 83,186
Purchase of property and equipment	(223)	(135)	(378)	(309)	(290)	(1,198)	(1,053)
Capitalization of internal-use software	(44)	(3)	(20)	-	-	(1,000)	(60)
Free cash flow	<u>\$ 23,132</u>	<u>\$ 27,411</u>	<u>\$ 20,798</u>	<u>\$ 20,662</u>	<u>\$ 10,577</u>	<u>\$ 27,914</u>	<u>\$ 82,073</u>

Thank you
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